Quiz A for 4:00 Class: 04/17/13   Name _____

Using the following information, set up the calculations (write out equations and plug in the numbers) needed to determine the value of a put on Toyota that expires on June 21, 2013 (65 days from today) and which has a strike price of $115. You plan to hold this put only through May 17, 2013 (30 days from today). Risk-free interest rates (all less than 1%) vary by maturity as follows: $5/16 = 0.030\%$, $5/23 = 0.020\%$, $5/30 = 0.035\%$, $6/6 = 0.040\%$, $6/13 = 0.036\%$, $6/20 = 0.041\%$, $6/27 = 0.042\%$, $7/5 = 0.046\%$, $7/11 = 0.056\%$, $7/18 = 0.051\%$, and $7/25 = 0.057\%$. Note: All of the following are per-share data related to Toyota.

Actual or expected values as of:

	4/17	5/17	6/21
Assets	195	192	187
Stock	112	110	107
Debt	83	82	80

Expected standard deviation between now and:

	4/17	5/17	6/21
Assets	19%	21%	22%
Stock	24%	25%	27%
Debt	6%	7%	9%
Equivalent call	100%	102%	104%
This put	90%	93%	95%

Wall Street Journal Questions are on the back of this page.