

- P.17: equation (top of the page) is:  
 $100 = 4.35 \times D_1 + 4.35 \times D_2 + 104.35 \times D_3$  instead of  $100 = 4.35 * D_1 + 4.35 * D_2 + 104.35 * D_3$
- P.24, bottom: the formula in continuous time:  
 read “ $\times$ ” instead of “ $*$ ” ( $B_{0-cpn} = 100 \times e^{-0.05*5} = 77.88$  instead of  $B_{0-cpn} = 100 * e^{-0.05*5} = 77.88$ )
- P.89: in the last sentence “Hence, a net result...”, read 53 634.80 instead of 53 634,80
- P.92, fig. 6.1: “6M EURIBOR” to be replaced by “6M LIBOR”
- P.93, fig. 6.2, 6.3 & 6.4: all the arrows must be oriented in the opposite direction
- P. 125, last line before section 7.2.3: read “given in Section 7.5.4” (instead of 7.5.3)
- P.130, mid page formula: read “ $\beta = \dots$ ”, instead of “ $\beta'$ ”
- P.134, mid page, 1<sup>st</sup> bullet: read  
 “the (cost of) carry [...] becomes notional future price  $\times$  CF – spot bond price (physical ...”  
 instead of “the (cost of) carry [...] becomes spot bond (physical [...] – notional future price  $\times$  CF”
- P.138 bottom, last relationship: read “ $r_\epsilon$ ” instead of “ $r_e$ ”
- P.159 bottom, equation above (8.16): read  

$$dZ^Q = dZ + \frac{\mu-r}{\sigma} dt$$
 instead of  $dZ^Q = dZ - \frac{\mu-r}{\sigma} dt$
- P.184, mid page, in “Meaning of  $N(d_1)$  and  $N(d_2)$ ”: the 2<sup>nd</sup> sentence must be completed as follows:
  - $N(d_2)$  is the probability that the call option\* will be exercised etc  
 ,with a footnote: \*for a put option this probability is  $1 - N(d_2)$ .
  - P.283: in 5<sup>th</sup> line, read “mean  $\bar{X}$ ” instead of “mean  $X$ ”, and the formula below is  

$$Z = \frac{X - \bar{X}}{\sigma}$$
 instead of  $Z = \frac{X - X}{\sigma}$
  - P.201, last formula:  $\partial P$  instead of  $\partial C$
  - P.296, fig. 14.15: read  $\mu = -1.645 \sigma$  , instead of  $\mu = -1.645 \alpha$