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| Structured equity products | Guaranteed equity products have proved an enormous success over the past five years, but the changing volatility environment has boosted interest in a new breed of structured products, reports Lehman Brothers | 6 |
| Developments in portfolio restructuring in Europe | In a year of unprecedented change in the European markets, the trick with predicting the future is to know when to move from the general to the particular, says Merrill Lynch | 8 |
| Equity-linked structured products | The simultaneous rise in long-term equity option implied volatilities and fall in long-term interest rates have been twin enemies of the equity-linked product market in its traditional form, says JP Morgan | 11 |
| Warrants, a global market | Even though the modern warrants market is still very young compared with that of other financial products, it has experienced exponential growth in Europe in recent years, reports Citibank | 13 |
| Equity derivatives and investment management | JP Morgan outlines how equity derivatives can add value by allocating assets and actively hedging them to achieve a premium | 17 |
| Corporate finance applications of equity derivatives | In recent years, European corporates have learned to make use of equity derivatives as a supplement to or a substitute for cash transactions. Dresdner Kleinwort Benson reports | 20 |
| Employee stock options: managing the cost | Stock options have become a popular method with companies in many parts of the world for compensating employees, says Citibank | 23 |
| Basket option pricing: a survey | Various methods are used to calculate basket volatility in order to price basket options. However, some of these methods have one or more drawbacks, reports Sophis | 25 |
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| Equity and derivative markets: Forecasting volatility | The term structure of implied volatility is a useful indicator of the direction of near-term implied volatility and of the future market direction. Morgan Stanley Dean Witter reports | 6 |
| Equity products: The new Europe | Europe's equity derivatives markets are developing rapidly, mirroring trends in their US counterparts. Lehman Brothers discusses how this complex market requires a more integrated understanding and management of equity risk | 10 |
| Equity financing: Risk in a risk-free business | Equity financing has now reached a point where a global product can be offered on a global basis. Dresdner Kleinwort Benson explains | 14 |
| Liquidity and correlation risk: Options on illiquid securities | Imagine Software Inc explains how it uses active Monte Carlo simulations of stock price paths to show how a lack of liquidity can give rise to asymmetric risk distribution | 17 |
| Warrants: Strength in simplicity | The growth of the warrants market has been striking. Their strength lies in their simplicity, says Citibank | 21 |
| LDRS: Leading the way in exchange-traded funds | Listed diversified return securities are the first exchange-traded funds to be listed and traded in Europe. Merrill Lynch says they combine the advantages of an index-tracking fund with those of an exchange-listed share | 25 |
| Convertible bonds: Improved pricing algorithm | In pricing convertible bonds classical numerical algorithms based on lattice trees converge slowly as the number of time steps increases when there is an issuer call. Sophis reports | 28 |
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