

Summer/Fall 2013 Exam Cycle

MFE/3F Study Manual Errata

Chapter 4

8/9/13 **Page 4.20.** The second to last line in the derivation at the top of the page is incorrect:

$$= 4\sigma^2 T \times 4$$

It should be replaced with:

$$= 4\sigma^2 T \times \frac{1}{4}$$

MFE/3F Questions Errata

Chapter 5

10/30/13 **Question 5.10.** The correct answer is 19.8, not 19.4.

Solution 5.10. The final line of the solution should be replaced with:

$$F = 19.8060$$

Update for Summer/Fall 2013 Exam Cycle

5/16/13 Some material that is covered in the assigned portions of the **2nd edition** of the Derivatives Markets textbook is not covered in the assigned portions of the **3rd edition** of Derivatives Markets textbook. Since either edition can be used to prepare for the exam, the assigned material from the 2nd edition that does not appear in the assigned portions of the 3rd edition is therefore unlikely to appear on the exam. This affects the ActuarialBrew.com products as described below.

Study Manual

Section 14.7 (Correlated Itô Processes) and the fourth multiplication rule on page 14.19 are unlikely to be tested.

Questions

In Chapter 14, Questions 14.12, 14.13, and 14.25 are unlikely to be tested.

Practice Exams

In Practice Exam #4, Question 14 is unlikely to be tested.

Flashcards

Flashcard 14.10 and the fourth multiplication rule on Flashcard 14.11 are not likely to be tested.