

MA4198 PROJECT PROPOSAL (PROJECT CUM SEMINAR GROUP)

SUPERVISOR'S INFO

Name:	Chen Kan
Email:	kan.chen@nus.edu.sg
Tel number:	65164113
Office location:	RMI, 4 th floor, I3 building

PROJECT ID: PS03

TITLE

Fat tails in the currency market and their impact on currency option prices

BRIEF DESCRIPTION OF PROJECT

The project is to investigate the tails of the probability distribution in the forex market: Empirically what tail distributions better describe the change in the exchange rates? How does the distribution depend on the time lag? How does the distribution affect the prices of currency options?

EXPECTATION/S

The student is expected to analyze the forex data and study the tail properties of the distribution of the change in exchange rates.

PREREQUISITE/S (at level 3000 or below, with at most one course at level 3000)

No specific requirement, but the student needs to know how to program, either using Python, C/C++

READING REFERENCE/S

Please input text here