Errata and Hints for “Introduction to the Mathematics of Finance”
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Page 29, last line of Exercise 5: “Exercise 3” should read “Exercise 4”.
Page 60, last line, (4.20): Replace $[0, T]$ with $[0, T]$.
Page 61, in (4.21) and (4.22): here replace $N$ with $N^c$ and vice versa.
Page 70, line 5: Note that in this book, $\log$ denotes the natural logarithm, i.e., $\log_e$, the inverse of the exponential function.
Page 87, Exercise 3. Hint: Differentiate $C_0$ with respect to $\sigma$. Expand the exponent of the second exponential term and simplify. You should obtain

$$\frac{\partial C_0}{\partial \sigma} = S_0 \sqrt{T} \rho \left( \frac{\log(S_0/K^*)}{\sigma \sqrt{T}} + \frac{1}{2} \frac{\sigma}{\sqrt{T}} \right),$$

where $\rho$ is the standard normal density function.