

88 Views | 3 CrossRef citations to date | 0 Altmetric

Original Articles

# Pricing Lookback Options with Knock-out Boundaries

Yoshifumi Muroi 

Pages 155-190 | Received 27 Jul 2004, Published online: 02 Feb 2007

 Cite this article  <https://doi.org/10.1080/13504860600563028>

Sample our  
Economics, Finance,  
Business & Industry Journals  
>> [Sign in here](#) to start your access  
to the latest two volumes for 14 days

[Full Article](#) [Figures & data](#) [References](#) [Citations](#) [Metrics](#)  
[Reprints & Permissions](#) [Read this article](#)

## Abstract

In the last decade, many kinds of exotic options have been traded and introduced in the financial market. This paper describes a new kind of exotic option, lookback options with knock-out boundaries. These options are knock-out options whose pay-offs depend on the extrema of a given securities price over a certain period of time. Closed form expressions for the price of seven kinds of lookback options with knock-out boundaries are obtained in this article. The numerical studies have also been presented.

### About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings

discussions. This paper is based on Chapter 5 of my doctoral dissertation submitted to Graduate School of Economics, University of Tokyo and it does not necessarily reflect the opinion of the Bank of Japan or the Institute of Monetary and Economics Studies.

## Notes

1. This was pointed out by Professor Masayuki Ikeda.
2. It is also possible to derive the integral formula [\(32\)](#) by taking the limit  $\alpha \rightarrow 0$  in integral formula [\(9\)](#). This formula is then derived using l'Hopital's rule. This was pointed by Professor Masayuki Ikeda.

### Related research

People also read


Recommended articles

Cited by  
3



#### About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All 

Essential Only

Settings

## Information for

Authors

R&D professionals

Editors

Librarians

Societies

## Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

## Open access

Overview

Open journals

Open Select

Dove Medical Press

F1000Research

## Help and information

Help and contact

Newsroom

All journals

Books

## Keep up to date

Register to receive personalised research and resources by email



Sign me up



Copyright © 2024 Informa UK Limited [Privacy policy](#) [Cookies](#) [Terms & conditions](#)

[Accessibility](#)



Taylor & Francis Group  
an informa business

Registered in England & Wales No. 3099067  
5 Howick Place | London | SW1P 1WG

### About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings