

# REAL OPTIONS 2020

ISEG LISBON  
THURS/FRIDAY  
Professor Dean Paxson

Starting Mar 5, 2020

ASSIGNMENT FOR THURSDAY 5 March 9:30 to 12:30, 1:30 +

## SESSION #1

1. Read REAL OPTION VALUE, CH 1 and CH 2 and CH 3. Do Exercises 2.1, 2.2, 2.3 with a calculator, and Exercises 3.1, 3.2 and 3.3.
2. A primary objective during the first session is for students to organize report groups based on their interests and backgrounds. A RO\_20 Report will focus on one enterprise or issue, noting the relevant real options, choosing 1-2 appropriate models, obtaining some input data, proposing strategic actions for management based on your analysis. Suitable projects in the past have started with a CASE, and then added recent data, interpreting the new application of the model. For the case-projects, the RRC and SWN 10-K for 2019 should both be available from 28 Feb 2020, online so the figures can be usefully updated. Depending on class size, groups of five, everyone in the group receives the same grade.
3. The initial material consists of ROV CH 1-2-3, along with lecture slides Intro, Ch1-2, Ch3, two cases RRC and SWN, and the course outline.
4. Last year all students did a group project, but it is possible to do a case, where all data is provided, and the grade is individual.