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Application of financial engineering instruments in the Russian automotive industry

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Abstract

© 2015, Asian Social Science. All rights reserved. The problem of the reducing the financial risks faced by any company in the market economy. The automotive industry is also sensitive to currency and commodity risks. The article presents the economic and mathematical model of the creation of option portfolios in the automotive industry, which allows to develop investment and speculative strategies in the stock market, as well as the methods of hedging currency risks in the automotive industry, depending on the net position.

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Keywords

A model, Automotive industry, Foreign exchange risks, Futures, Options, Risk, Steel