

Abstract

Option is an agreement or contract between a put option and a call option, where the put option guarantee existence right (not obligation) of the call option To buy or sell the shares at a specified time and price. In this book author discusses put options with the type of Europe. Because the option is European type then that will be executed is expired date and will be calculated using Black-Scholes equation, This equation will be approached by different methods until the implicit scheme.

Keywords: Black-Scholes Equation, finite difference method, Implicit Scheme.