A JAVA Program for International Arbitrage

He Zhang

September 2011

Dissertation submitted in partial fulfilment for the degree of

Master of Science in Computing for Financial Markets

Computing Science and Mathematics

University of Stirling

Abstract

Problem: The relationship between computer science growth and finance & economy has been a long-standing issue. The method for applying Computer to the process of analyzing finance & economy will do help to improve the efficiency of working. This dissertation is to generate a well-designed JAVA application to help investors to analyze the international arbitrage. It can import the data from .txt file and output the results through the calculations.

Objectives: This program is focus on the international arbitrage. The purpose is to provide the convenience for users who can progress the calculation and obtain the results through clicking the buttons.

Methodology: Firstly, I have viewed a lot of textbooks and web sites so that I can gain an understanding of the international arbitrage. Secondly, I do research for the Java code to solve many problems. Thirdly, various materials listed in the references supported the learning process.

Achievements: This Java program can be used to measure three forms of the international arbitrage. Then it shows the results which inform users whether there is an arbitrage opportunity or not. Users can make a sensible decision.