

Waad Bil Mourabaha Pricing

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Abstract : In this work, we will modelize Waad Bil Mourabaha contract. This islamic contract provides the right to buy goods at a future date with a Mourabaha. Waad is a promise of sale or purchase of goods, declared in a unilateral way. In spite of the divergence between some schools of Islamic law about the Waad, this contract will allow us to study sophisticated and interesting contract: Waad Bil Mourabaha that can be used for hedging. In order to price Waad Bil Mourabaha contract, we will use an adapted Black and Scholes model using the Shariah compliant assumptions.

Keywords : Islamic finance, Black-Scholes model, call option, risks, hedging

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