

$$\text{Margin} = \frac{\text{Equity in Account}}{\text{Value of Stock}}$$

$$\frac{\text{Equity}}{\text{Value of Shares}} = \frac{(\text{Shares} \times P) - \text{Original Loan}}{\text{Shares} \times P} = \text{Maintenance Margin}$$

$$\frac{\text{Equity}}{\text{Value of Shares}} = \frac{\text{Assets} - (\text{Shares} \times P)}{\text{Shares} \times P} = \text{Maintenance Margin}$$

$$\text{Quoted Yield} = \frac{\text{Face Value} - \text{Price}}{\text{Face Value}} \times \frac{360}{\text{Days to Maturity}}$$

$$\text{Price} = \text{Face Value} \times \left[ 1 - \left( \text{Quoted Yield} \times \frac{\text{Days to Maturity}}{360} \right) \right]$$

$$r_{\text{equivalent taxable}} = \frac{r_{\text{muni}}}{(1 - t)}$$

$$\text{Profit on Long Call} = \text{Max}(\text{Stock Price @ Expiration} - X, 0) - \text{Premium}$$

$$\text{Breakeven on Long Call} = X + \text{Premium}$$

$$\text{Profit on Long Put} = \text{Max}(X - \text{Stock Price @ Expiration}, 0) - \text{Premium}$$

$$\text{Breakeven on a Long Put} = X - \text{Premium}$$