

<b>Pricing of Al-Urbun and a Class of Al-Istijrar Islamic Contracts under the Black–Scholes Framework</b>		
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<b>Abstract:</b> Islamic financial contracts necessarily need to abide by Shariah principles. As such, some contracts have been introduced for risk-hedging real transactions that differ from those seen in conventional financial markets. In this paper, we examine two such products, Al-Urbun and Al-Istijrar, and determine fair prices for both the Al-Urbun and a class of Al-Istijrar under the Black–Scholes framework.		