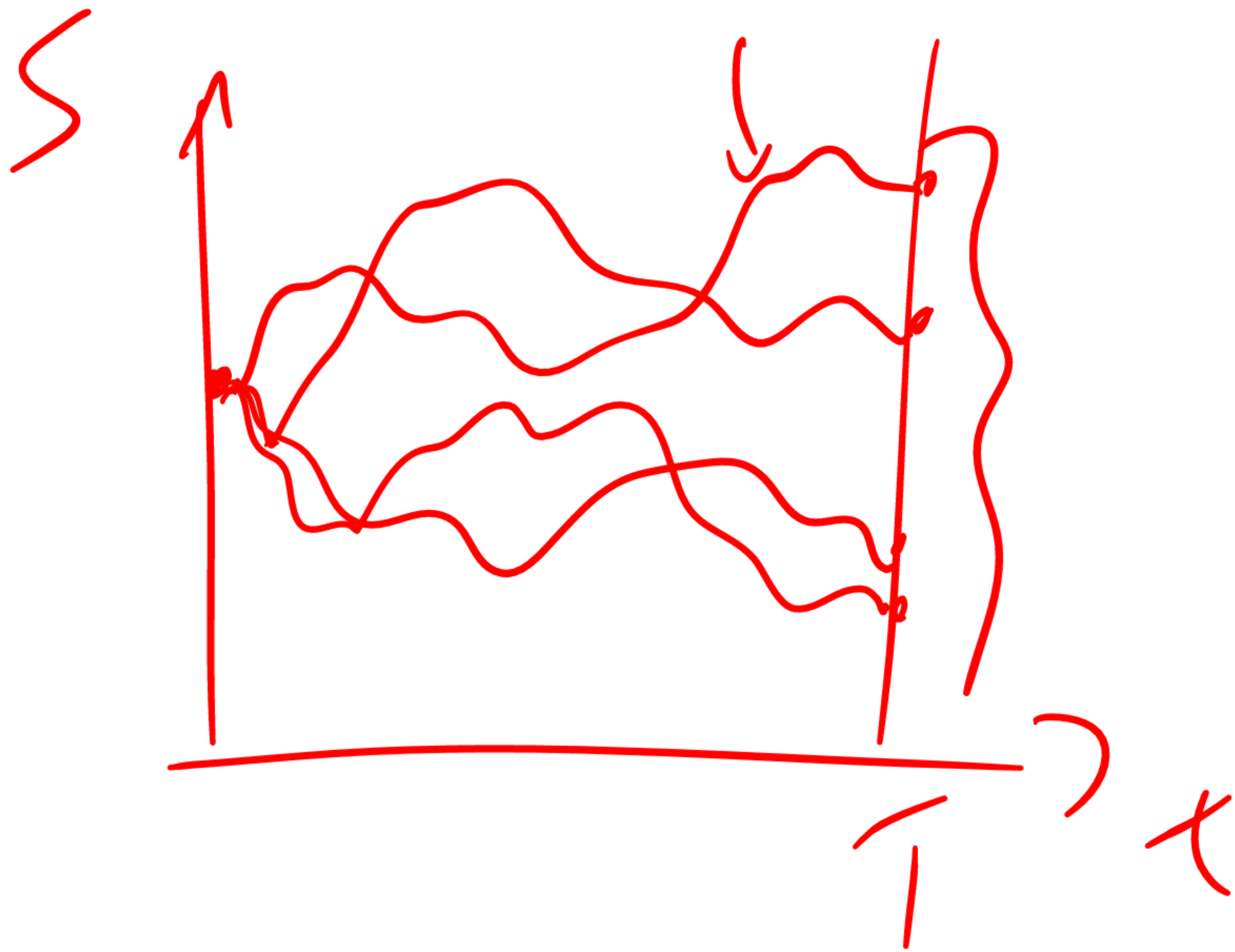
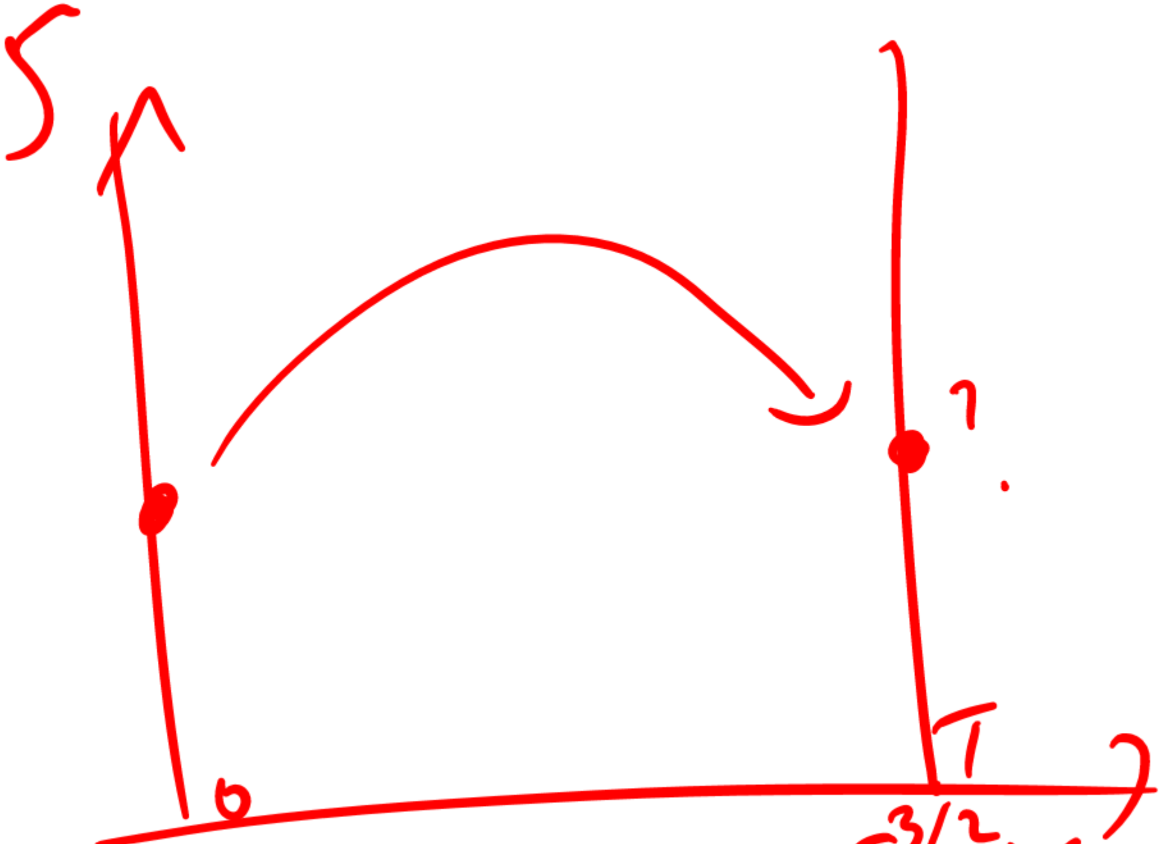

S
T
t

$$dS = rS\,dt + \sigma S\,dX$$

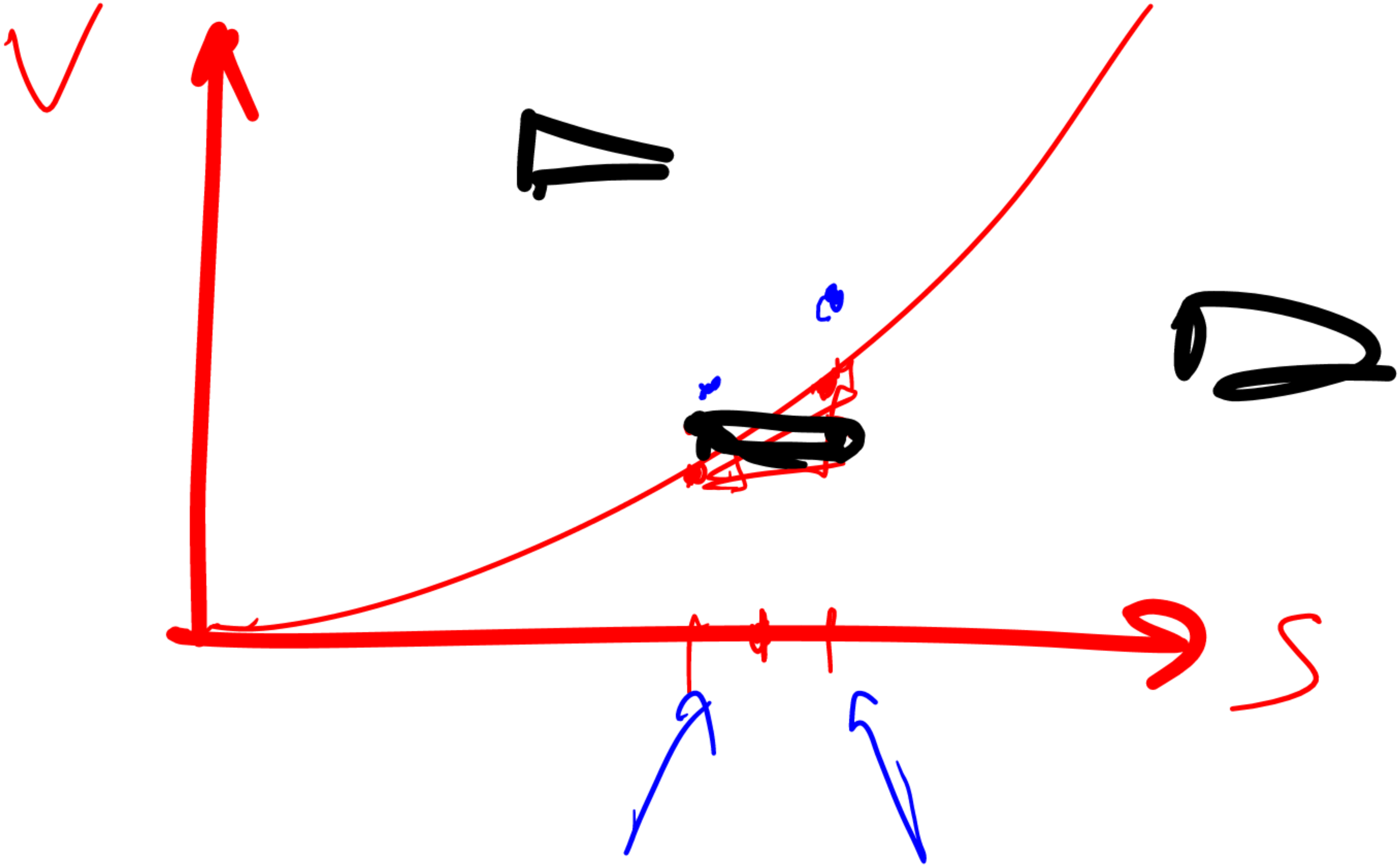
$$S_{i+1} = S_i + rS_i\,\delta t + \sigma S_i \sqrt{\delta t}\,\phi_i$$



$$dS = r S\, dt + \sigma S^{3/2} dX$$

$$\int d(\ln S) = \int \left(r - \frac{1}{2}\sigma^2\right) dt + \sigma\, dX$$

$$\boxed{\ln S(T) - \ln S(0) = \cdots \phi}$$

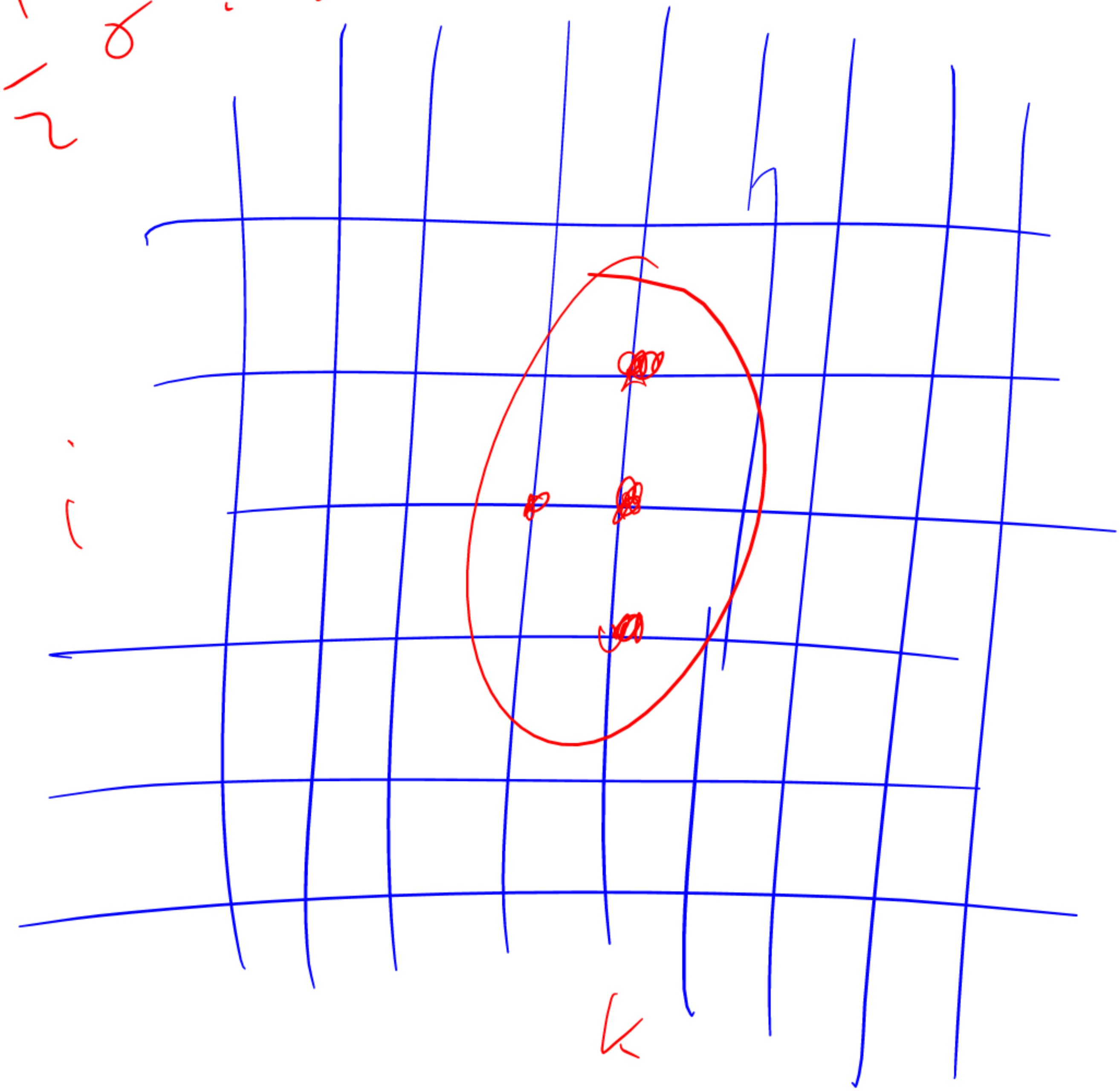

V
S

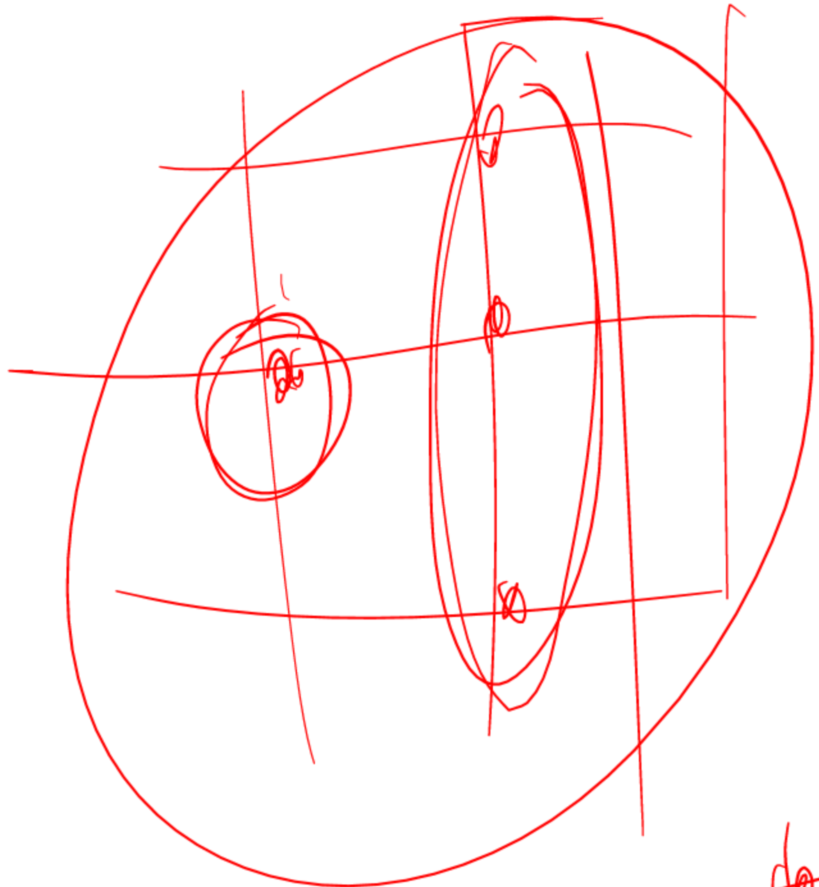
$$\frac{\partial V}{\partial t} + \frac{1}{2}\sigma^2 S^2 \frac{\partial^2 V}{\partial S^2} + rS\frac{\partial V}{\partial S} - rV = 0$$

$$\frac{\partial^2 V}{\partial S\,\partial t} = \frac{\partial \Delta}{\partial t}$$

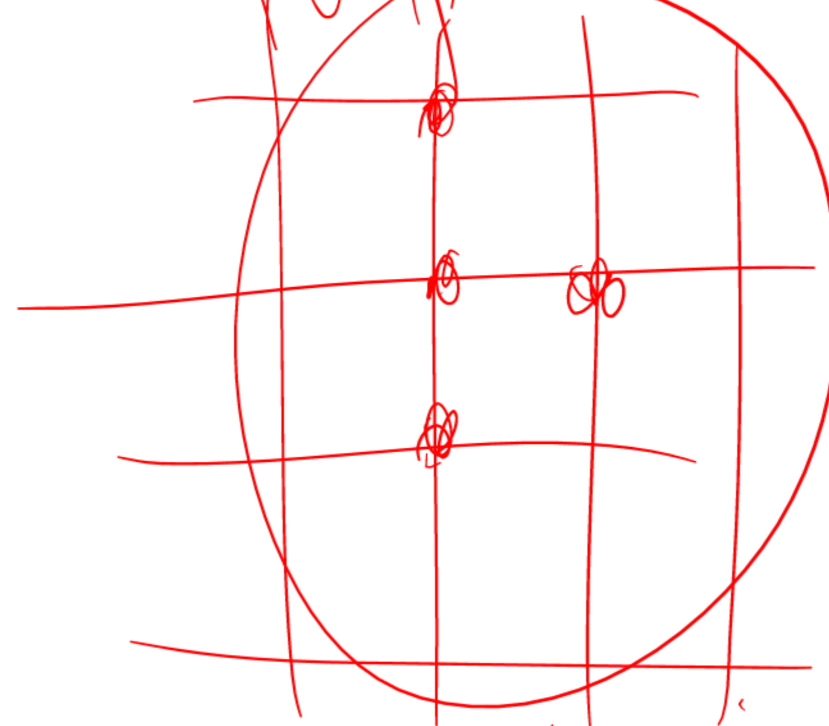
$$\Delta$$

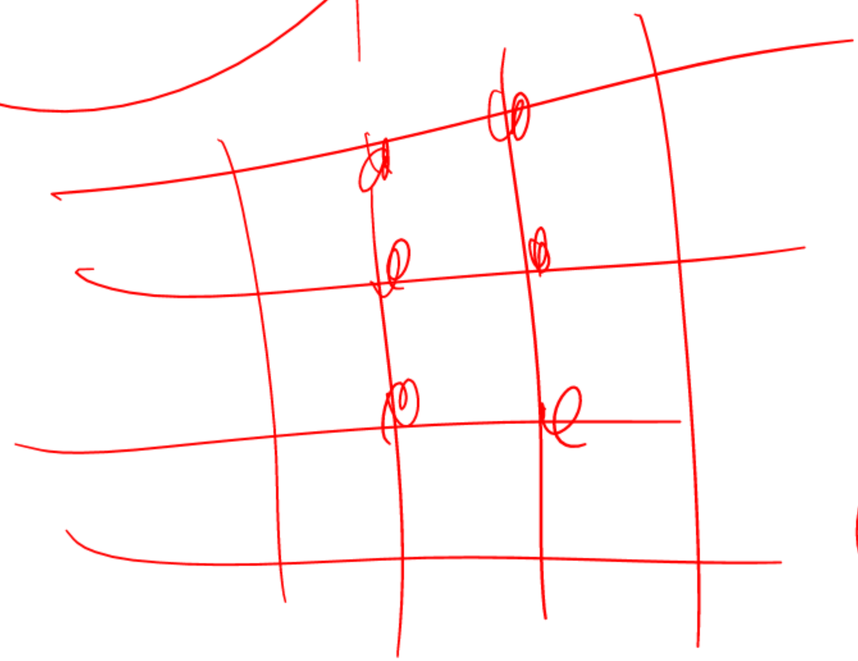
$$\frac{\partial V}{\partial t} + \frac{1}{2}\sigma^2 \cdots = 0 \qquad V_i^k$$





implicit





matrix

C-N

$t = T$

$\Theta + \frac{1}{2}\sigma^2 S^2 \ldots$