Pricing Swaptions with Monte Carlo

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In this article ...

Keywords: Python, Monte Carlo, simulation, arbitrage

Introduction

Lorem ipsum. This is a citation of Buchanan (1979). I will price a Bermudan swaption with Monte Carlo, because I'm amazing! Hayek (1945).

Subsection 1

Blah blah blah

Subsection 2

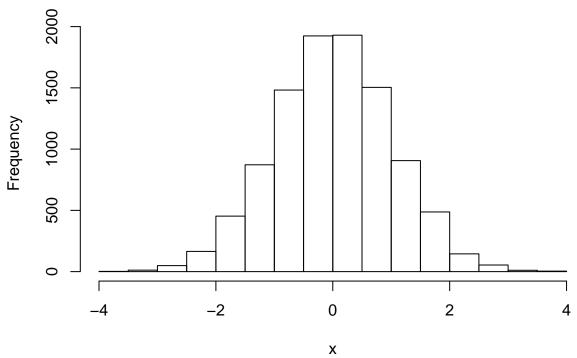
Yada yada yada. Figlewski (1989) is about simulating option market maker delta-hedging under conditions of friction, transactions costs, etc.

Middle Section

More words about computation in finance and economics

```
x <- rnorm(10000)
hist(x)
```

Histogram of x



print("Hello, World!")

Hello, World!

Summary and Conclusion

Summary of paper. More stuff!

References

Buchanan, James M. 1979. What Should Economists Do? Liberty Fund Inc.

Figlewski, Stephen. 1989. "Options Arbitrage in Imperfect Markets." *Journal of Finance* 44(5):1289–1311

 $Hayek, F.A.\ 1945.\ "The\ Use\ of\ Knowledge\ in\ Society."\ \textit{The\ American\ Economic\ Review}\ 35(4):519-530.$