fd_explicit_lookback

Input parameters:

- StepNumber N

Output parameters:

- Price

- Delta

This algorithm is a standard explicit finite difference scheme to solve 2D-PDE degenerate parabolic equation with oblique derivate boundary

$$\frac{\partial u}{\partial x} = 0$$

approximated by a a second-order stencil

$$\frac{4u_{i+1} - u_{i+2} - 3u_i}{2h} = 0$$

References