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tr_vellekoop_heston

This model is given by,

$$\begin{aligned}dS_t &= rS_t dt + \sqrt{v_t} S_t dW_t^1, \\ dv_t &= k(\theta - v_t)dt + \sigma\sqrt{v_t}dW_t^2,\end{aligned}$$

where W^1 and W^2 are two correlated brownian motions with $\langle W^1, W^2 \rangle_t = \rho t$, and k , θ and σ are constants. Description of the algorithm is given in [there](#)

References