ap_hostapletonsubrahmanyam

This algorithm of approximation of the price of the american option was proposed by Ho-Stapleton-Subrahmanyam [1]

/*Critical Price/*
We compute the critical prices with a iterative method for non linear equation (cf. there).

/*Price/*
Approximation price(cf. there).

/*Delta/*
Approximation delta(cf. there).

References

[1] T.S.HO-R.C.STAPLETON-M.G.SUBRAHMANYAM. A simple technique for the valuation and hedging of american options. *The Journal of Derivatives*, pages 52–66, Fall 1994. 1