

**CQF 2009**  
**Module 6.1**  
**Live Lecture: May 26, 2009**  
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**Further Finite Difference Methods**

In this lecture:

- Review of explicit scheme and introduction to stability analysis
- Implicit finite-difference methods including Crank-Nicolson
- Review of numerical linear algebra
- The T – method
- American-style exercise
- Numerical schemes for Exotic options
- About the explicit finite-difference method for two-factor models
- The Alternating Direction Implicit (ADI) methods

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