

Financial Mathematics

MATH 5870/6870¹
Fall 2021

Le Chen

lzc0090@auburn.edu

Last updated on
November 8, 2021

Auburn University
Auburn AL

¹Based on Robert L. McDonald's *Derivatives Markets*, 3rd Ed, Pearson, 2013.

Chapter 19. Monte Carlo Valuation

Chapter 19. Monte Carlo Valuation

§ 19.1 Computing the option price as a discounted expected value

§ 19.2 Computing random numbers

§ 19.3 Simulating lognormal stock prices

§ 19.4 Monte Carlo valuation

§ 19.5 Efficient Monte Carlo valuation

§ 19.6 Valuation of American options

Chapter 19. Monte Carlo Valuation

§ 19.1 Computing the option price as a discounted expected value

§ 19.2 Computing random numbers

§ 19.3 Simulating lognormal stock prices

§ 19.4 Monte Carlo valuation

§ 19.5 Efficient Monte Carlo valuation

§ 19.6 Valuation of American options

Check out the `numpy.random` reference³ :

`https://numpy.org/doc/1.16/reference/routines.random.html`

³There is no need to build the wheels by ourselves.