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QF627

(AY2018, Term 2)

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QF666
Programming and Computational Finance

Dr. Zhao Yibao
Senior Lecturer
Of Quantitative Finance

About The Course

1. Basics of MATLAB and Review of Python (2 lessons)
2. Data Manipulation and Visualization in Python and MATLAB (3 lessons)
3. Scientific Tools in Python and MATLAB (3 lessons)
   Equation Solving, Optimization, Numerical Differentiation, Numerical Integration, Interpolation, Linear Algebra, Regression, Statistical Tests, Random Number Generation and Monte Carlo Simulation, etc.

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Assessments

- ✓ **Class Participation: 20%**

  = 8×2% (Attendance, S01-S08) + 4% (Peer Evaluation, S0108)

- ✓ **In-Class Exercises: 15%**

  = 3×5% (Group Work, S0102, S0305, S0608)

- ✓ **Homework Assignments: 15%**

  = 3 ×5% (Individual Work, S0102, S0305, S0608)

- ✓ **Final Exam: 50%, closed-book, 2 hours**

  = 30% (Python Only) + 20% (Python or MATLAB**)

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001

About eLearn

- ✓ Content (-> Learning Materials)
- ✓ Discussions (After-Class Q&A)
- ✓ Assignments (-> I.C.E & H.W.)
- ✓ Peer Evaluation

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Sessions 01+02

MATLAB Basics

(in comparison to Python)

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Learning Outcomes and Problems to be revisited in these two sessions:

1. **HDB Loan Calculator (GUI)**
   - ❑ Literals and Data Types (Numbers, Strings, Function Handles etc.)
   - ❑ Arithmetic Operators and Operator Precedence
   - ❑ Data Structures (Arrays, Structure, Cell Arrays, etc.)
   - ❑ Expressions
   - ❑ Variables and Assignments Basics
   - ❑ Mathematical Functions
   - ❑ User Defined Functions Basics
   - ❑ Others (Comments, Indentation, Line Joining, Concatenation, Semicolon, Colon, Some Built-in Functions etc.)
2. **Income Tax Calculator**
   - ❑ Logical Operators, Comparison Operators
   - ❑ Flow Control (if statements)
3. **Pandigital Formula**
   - ❑ Flow Control (loops)
4. **Sudoku Solver**
   - ❑ More on Functions (recursive function)
5. **European Call Option Object (incl. Methods Value, Vega and Implied Volatility)**
   - ❑ Class

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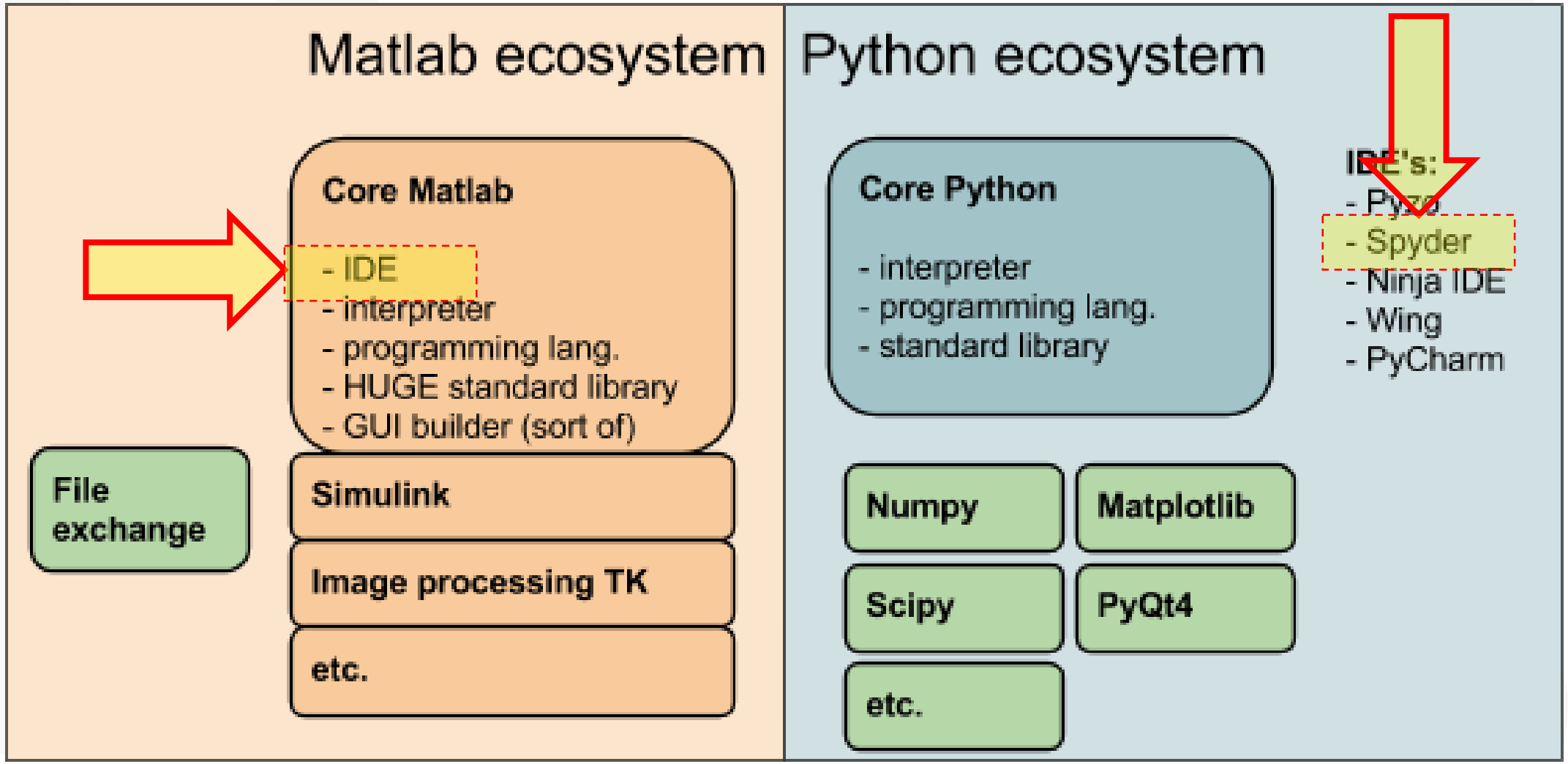
MATLAB vs. Python



(Source: http://www.pyzo.org/python_vs_matlab.html)

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How to run a Python Program?

How to run a MATLAB Program?

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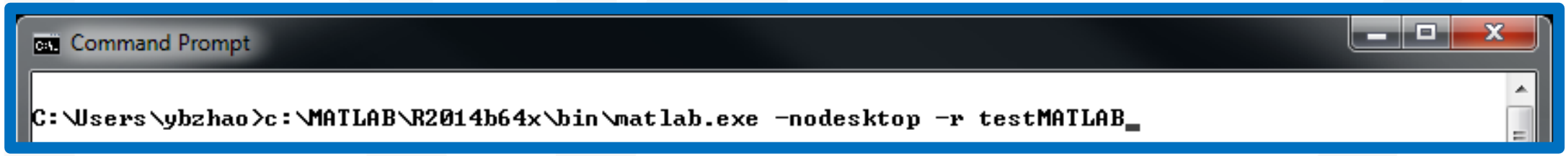
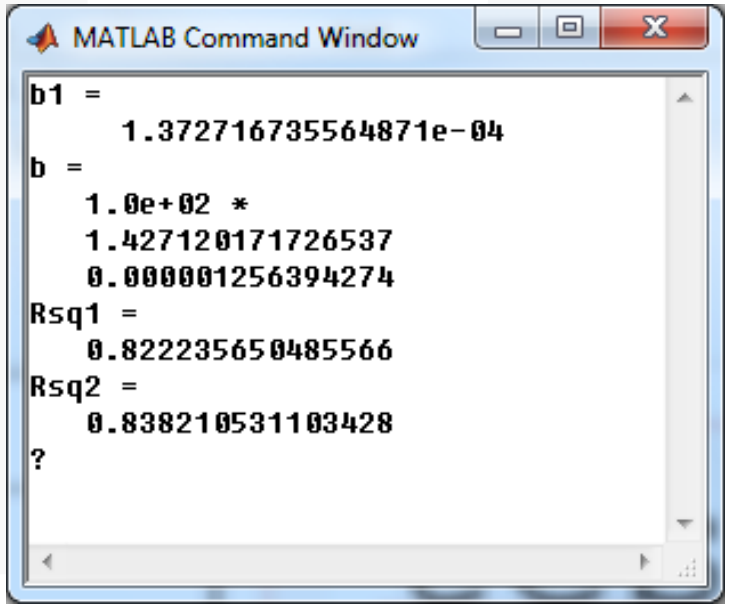
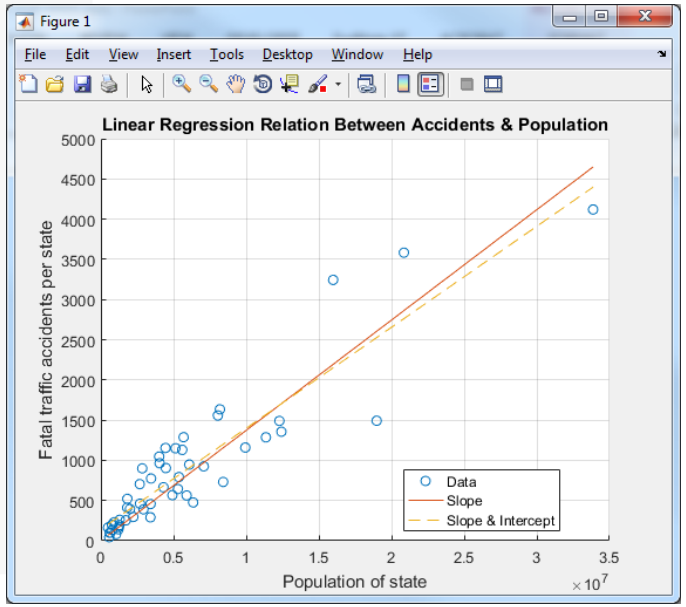
testMATLAB.m







(Dr. Z: This is not very friendly.)

⇨ IDE

002

Do Not Test

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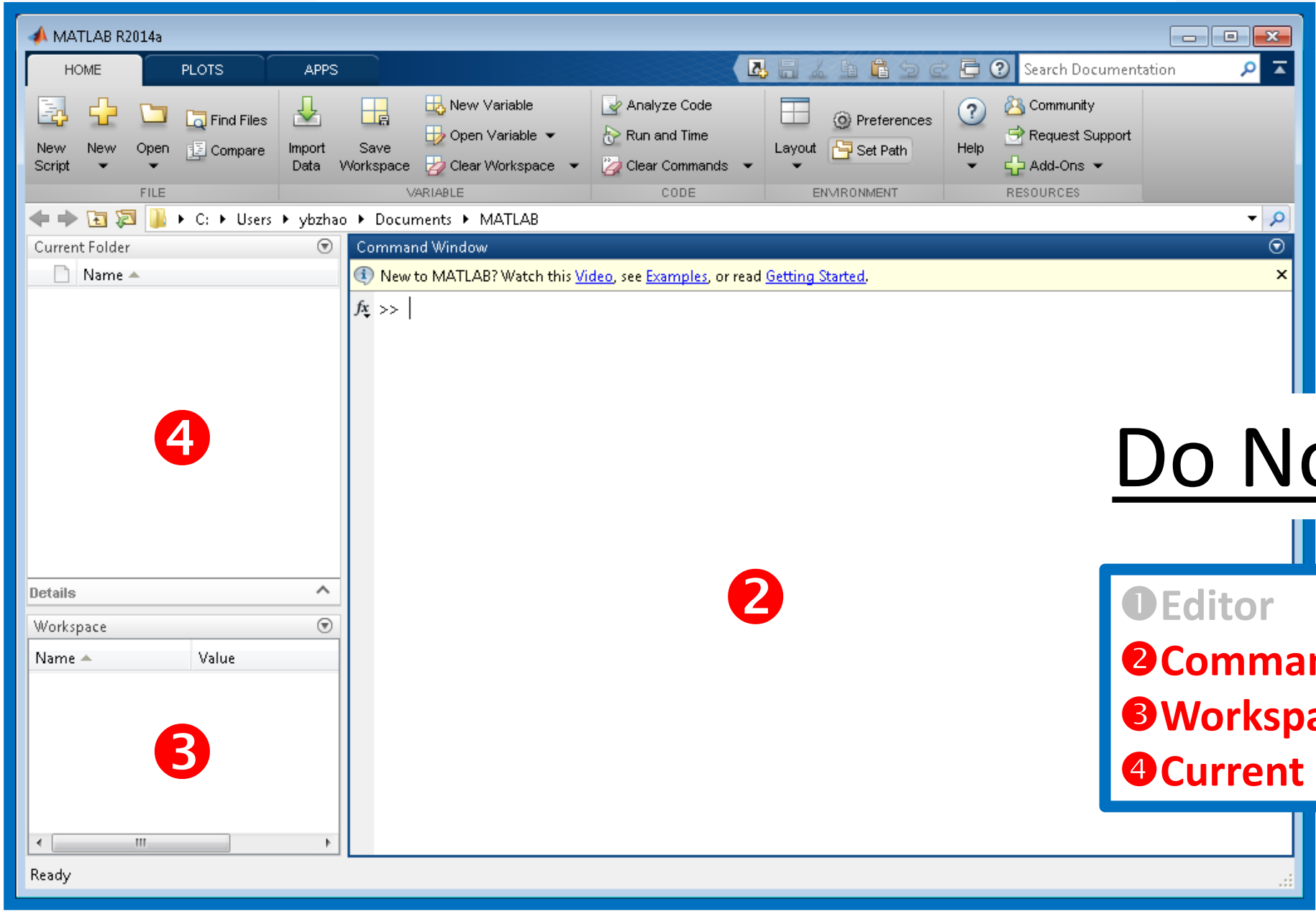
MATLAB Default Desktop Layout



Do Not Test

❶Editor
❷Command Window
❸Workspace
❹Current Folder

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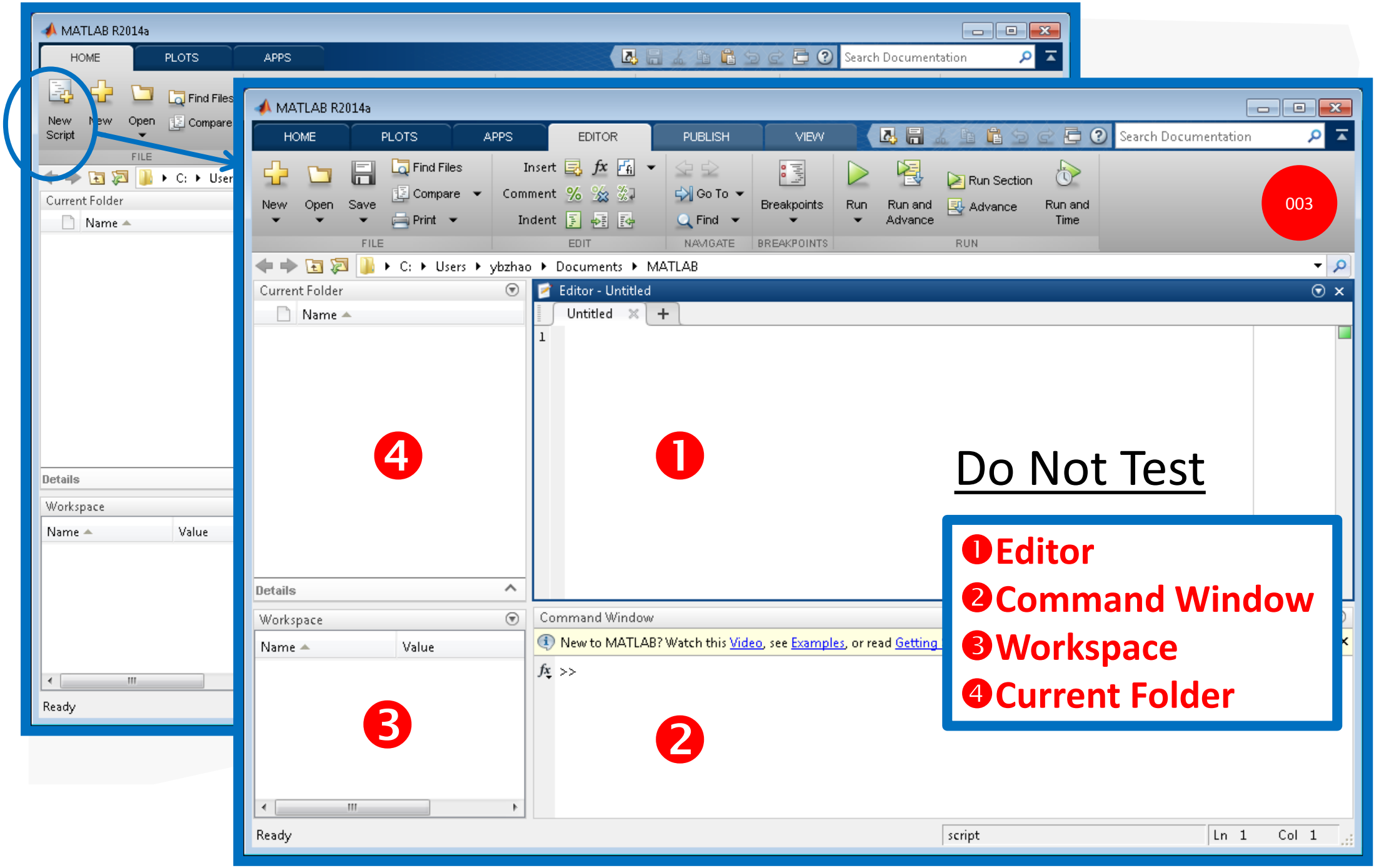

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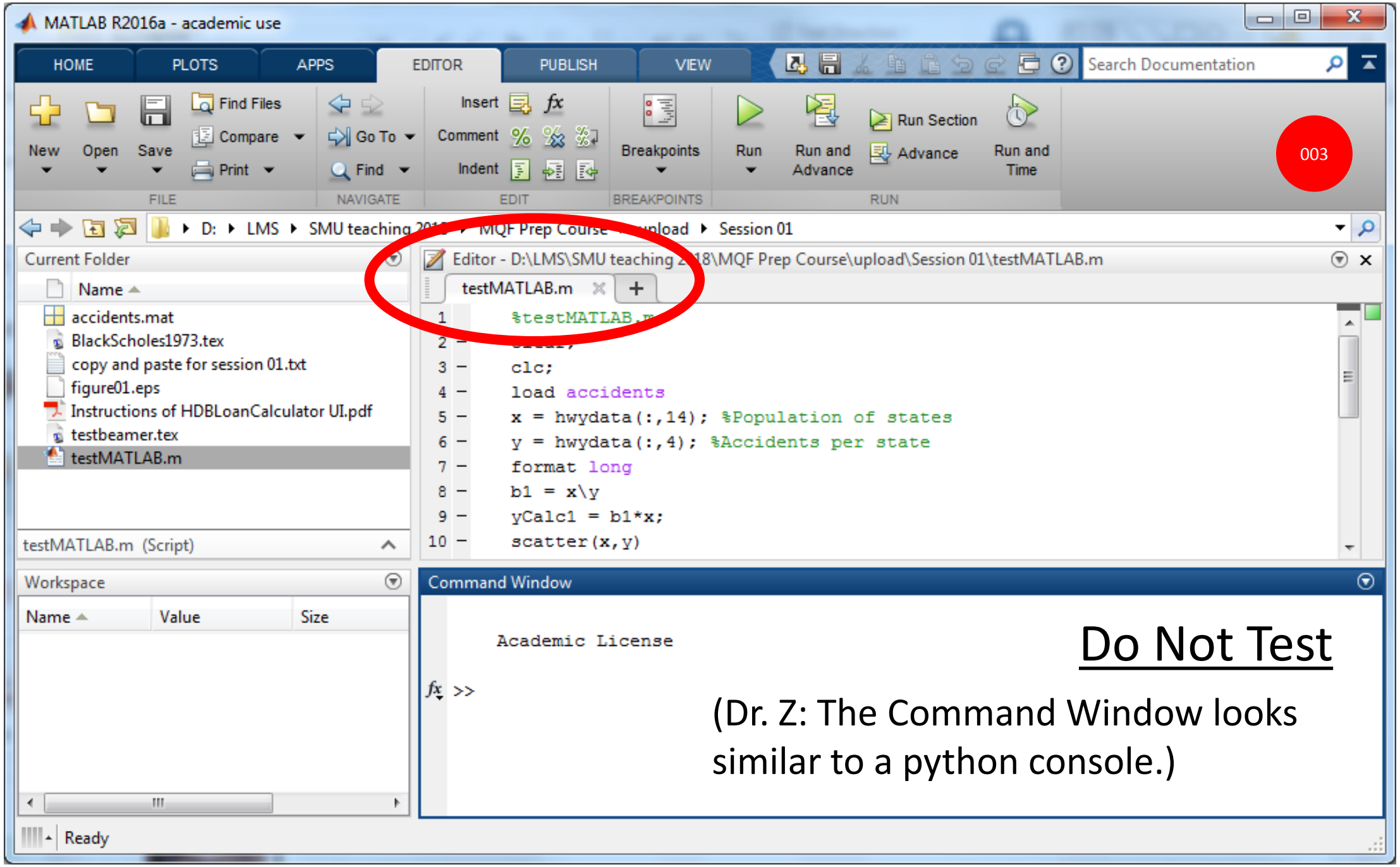

Do Not Test

(Dr. Z: The Command Window looks similar to a python console.)

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MATLAB R2016a - academic use

HOME | PLOTS | APPS | EDITOR | PUBLISH | VIEW

Search Documentation

New | Open | Save | Find Files | Compare | Print | Go To | Find | Insert | Comment | Indent | Breakpoints | Continue | Step | Step In | Step Out | Run to Cursor | Function Call Stack: testMATLAB | Quit Debugging

004

FILE | NAVIGATE | EDIT | BREAKPOINTS | DEBUG

D: ▸ LMS ▸ SMU teaching 2018 ▸ MQF Prep Course ▸ upload ▸ Session 01

Current Folder

Name
- accidents.mat
- BlackScholes1973.tex
- copy and paste for session 01.txt
- figure01.eps
- Instructions of HDBLoanCalculator UI.pdf
- testbeamer.tex
- testMATLAB.m

testMATLAB.m (Script)

Editor - D:\LMS\SMU teaching 2018\MQF Prep Course\upload\Session 01\testMATLAB.m

testMATLAB.m

```
1   %testMATLAB.m
2   clear;
3   clc;
4   load accidents
5   x = hwydata(:,14); %Population of states
6   y = hwydata(:,4); %Accidents per state
7   format long
8   b1 = x\y
9   yCalc1 = b1*x;
10  scatter(x,y)
```

Workspace

Name	Value	Size
datasources	3x1 cell	3x1
hwycols	17	1x1
hwydata	51x17 double	51x17
hwyheaders	1x17 cell	1x17
hwyidx	51x1 double	51x1
hwyrows	51	1x1
statelabel	51x1 cell	51x1

Command Window

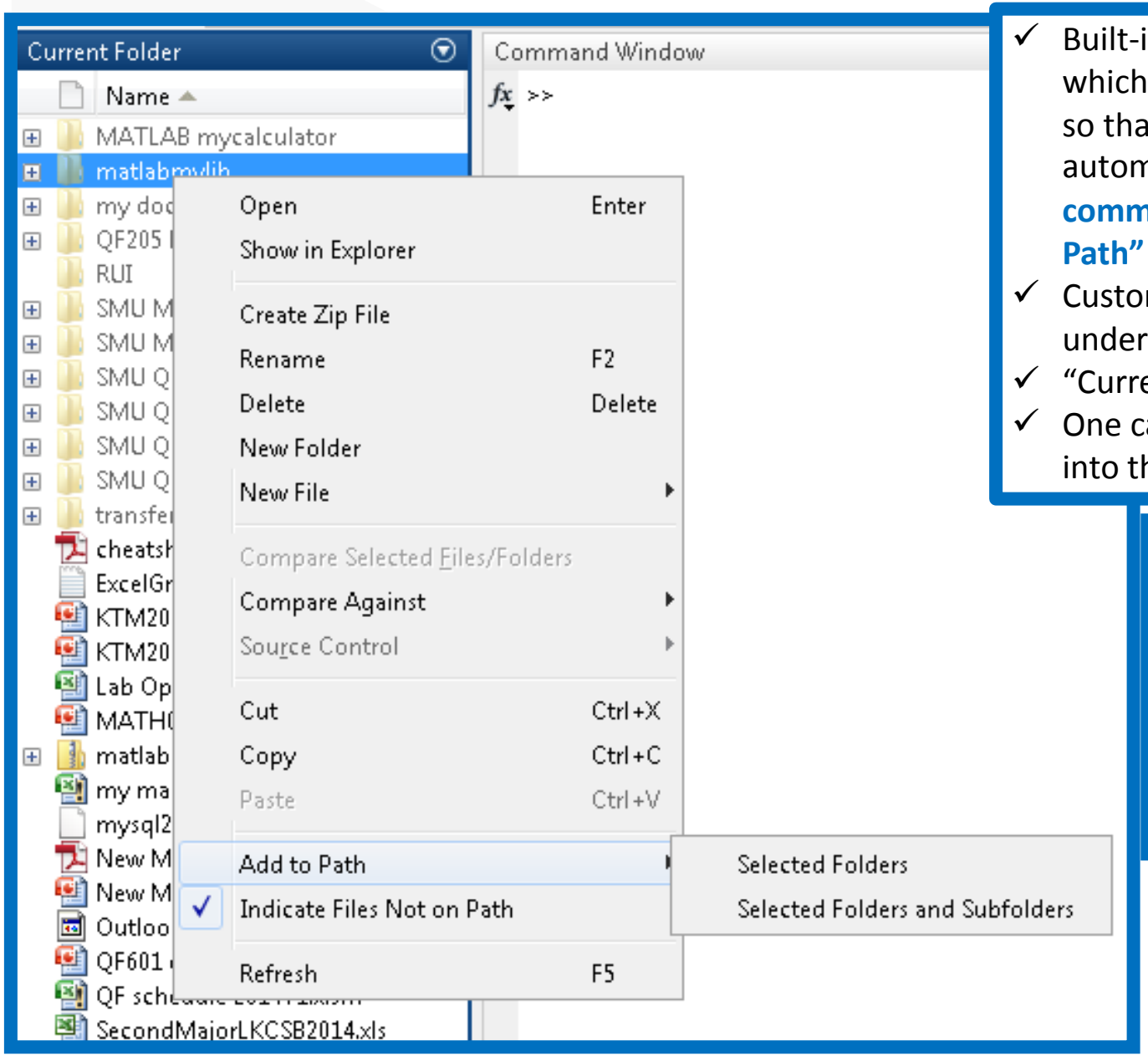
K>>

Debugger + Workspace

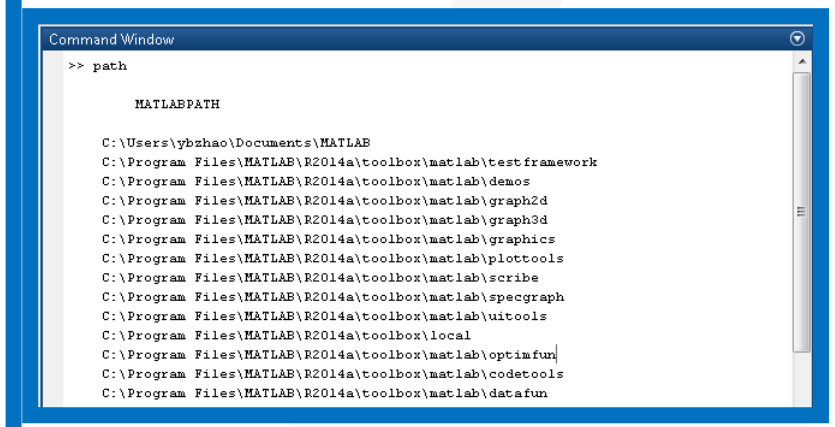
Do Not Test

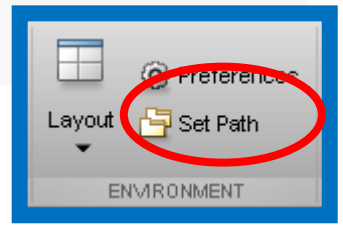
10 usages of "y" found | script | Ln 6 Col 1

Change Current Folder or Add to Path?



- ✓ Built-in library functions are stored in some folders which have been included in the "searching paths" so that whenever they are invoked, they can be automatically found. (One can **type "`path`" in command window to view them or click the "Set Path" button.**)
- ✓ Custom/User-defined functions have to be put under the "searching paths".
- ✓ "Current Folder " is under the "searching paths".
- ✓ One can use "Add to Path" to include more folders into the searching paths.





Do Not Test

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https://www.mathworks.com/products/matlab/live-editor.html

Using the Live Editor

006

David Garrison, MathWorks

The Live Editor provides a new way to create, edit, and run MATLAB® code. View your results together with the code that produced them. Add equations, images, hyperlinks, and formatted text to document your analysis. Share with others so they can replicate and extend your work.

This is similar to the Jupyter Notebook (or Jupyter Lab).

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http://www.pyzo.org/python_vs_matlab.html

The problem with Matlab

We do not intend to make Matlab look bad. We used to love Matlab ourselves! However, we think that Matlab has a few fundamental shortcomings. Most of these arise from its commercial nature:

- The algorithms are **proprietary**, which means you can not see the code of most of the algorithms you are using and have to trust that they were implemented correctly.
- Matlab is quite **expensive**, which means that code that is written in Matlab can only be used by people with sufficient funds to buy a license.
- Naturally, the Mathworks puts restrictions on code **portability**, the ability to run your code on someone elses computer. You can run your "compiled" application using the Matlab Component Runtime (MCR), but your portbale app must exactly match the version of the installed MCR, which can be a nuisance considering that Matlab releases a new version every 6 months.
- The proprietary nature also makes it difficult/impossible for 3th parties to extend the functionality of Matlab.

Furtheremore, there are some other issues that stem from Matlabs origins as a matrix manipulation package:

- The semicolon. It can be usefull to show the result when you type code in the console, but in scripts it does not make any sense that one must end a line with a semicolon in order to suppress output.
- Indexing is done with braces rather than brackets, making it difficult to distinguish it from a function call.

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MATLAB uses braces for indexing rather than brackets. This makes it difficult to distinguish it from a function call.

```
x(1), f(2)
```

007

Python uses brackets for indexing, braces for function calls.

```
x[1], f(2)
```

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http://www.pyzo.org/python_vs_matlab.html

Advantages of Matlab

Of course, Matlab has its advantages too:

- It has a solid amount of functions.
- Simulink is a product for which there is no good alternative yet.
- It might be easier for beginners, because the package includes all you need, while in Python you need to install extra packages and an IDE. (Pyzo tries to solve this issue.)
- It has a large scientific community; it is used on many universities (although few companies have the money to buy a license).

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https://www.mathworks.com/help/matlab/ref/clear.html

https://www.mathworks.com/help/matlab/ref/clc.html

Command Window

```
>> clear
>> clc
```

clear

Remove items from workspace, freeing up system memory

Syntax

```
clear
clear name1 ... nameN
clear -regexp expr1 ... exprN
clear ItemType
```

clc

Clear Command Window

Syntax

```
clc
```

MATLAB

Dr. Z: Python does not have these two commands.

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Comma-Separated List

https://www.mathworks.com/help/matlab/matlab_prog/comma-separated-lists.html

```
Command Window
>> 1+2, 4, 6-1
ans =
     3
ans =
     4
ans =
     5
```

The MATLAB® software returns each value individually.

Such a list, by itself, is not very useful. But when used with large and more complex data structures like MATLAB **structures** and **cell arrays**, the comma-separated list can enable you to simplify your MATLAB code.

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Common uses for comma-separated lists are:

- ✓ Constructing Arrays
- ✓ Displaying Arrays
- ✓ Concatenation
- ✓ Function Call Arguments
- ✓ Function Return Values

(Dr. Z: No hurry. We'll explore them at a later time.)

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011

(the semicolon)

Python:

In Python, we seldom use **semicolons**. Though it is not advised, we can use **semicolons** to write multiple statements on the same line.

```
>>> x=1; y=x+1; x
1
```

Python:

In the interactive mode, Python will write the value on the screen for the expression typed.

MATLAB:

Many MATLAB commands (incl. assignment) will output something in the Command window. **Semicolons** are used to suppress output.

Command Window

```
>> x=1
x =
     1
>> y=x+1;
>> y+1
ans =
     3
>>
```

testsemicolon.m

```
1 -  x=1
2 -  y=x+1;
3 -  y+1
```

Command Window

```
>> testsemicolon
x =
     1
ans =
     3
>>
```

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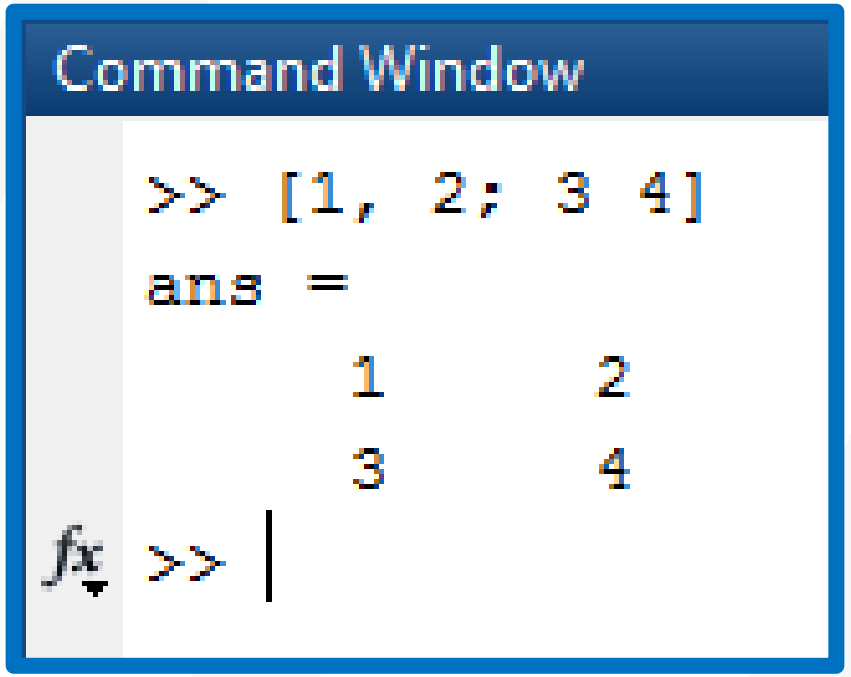
https://www.mathworks.com/help/matlab/matlab_prog/matlab-operators-and-special-characters.html

In MATLAB, the other use of the semicolon is to signify end of row in 2D arrays.

(the semicolon)



012

013

Elements in the row can be separated by using either commas or spaces.

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Application 1: HDB Loan Calculator (GUI)

$$P = \frac{\frac{r}{12}(PV)}{1 - \left(1 + \frac{r}{12}\right)^{-12t}}$$

Given:

$r = 2.6\% \rightarrow 0.026$

$PV = 800{,}000$

$t = 25$

Compute: P

- Numeric Literals
- Arithmetic Operators
- Operator Precedence
- Variables
- Simple Assignment
- Built-in Mathematical Functions
- Built-in Function to convert between a number and a string.

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MATLAB Variable Names

https://www.mathworks.com/help/matlab/matlab_prog/variable-names.html

A valid variable name

- ✓ starts with a letter,
- ✓ followed by letters, digits, or underscores.

015

MATLAB® is case sensitive, so A and a are not the same variable. The maximum length of a variable name is the value that the `namelengthmax` command returns.

016

017

```
>> namelengthmax

ans =

    63
```

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MATLAB:

```
>> _a=1
>> _a
1
```

- 018 Q: Can I use _a as a variable name?

Variable Names

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Arithmetic Operators

+ , - , * , / , ^

019

+ , - , * , / , **

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Operator Precedence

1. Parentheses ( )
2. Transpose (. '), power (. ^), complex conjugate transpose ('), matrix power (^)
3. Power with unary minus (. ^ -), unary plus (. ^ +), or logical negation (. ^ ~) as well as matrix power with unary minus (^ -), unary plus (^ +), or logical negation (^ ~).
4. Unary plus (+), unary minus (-), logical negation (~)
5. Multiplication (. *), right division (. /), left division (. \ ), matrix multiplication (*), matrix right division (/), matrix left division (\ )
6. Addition (+), subtraction (-)
7. Colon operator (:)
8. Less than (<), less than or equal to (<=), greater than (>), greater than or equal to (>=), equal to (==), not equal to (~=)
9. Element-wise AND (&)
10. Element-wise OR (|)
11. Short-circuit AND (&&)
12. Short-circuit OR (| |)

Highest

Lowest

Although most operators work from left to right, the operators (^-), (.^-), (^+), (.^+), (^~), and (.^~) work from second from the right to left. **It is recommended that you use parentheses to explicitly specify the intended precedence of statements containing these operator combinations.**

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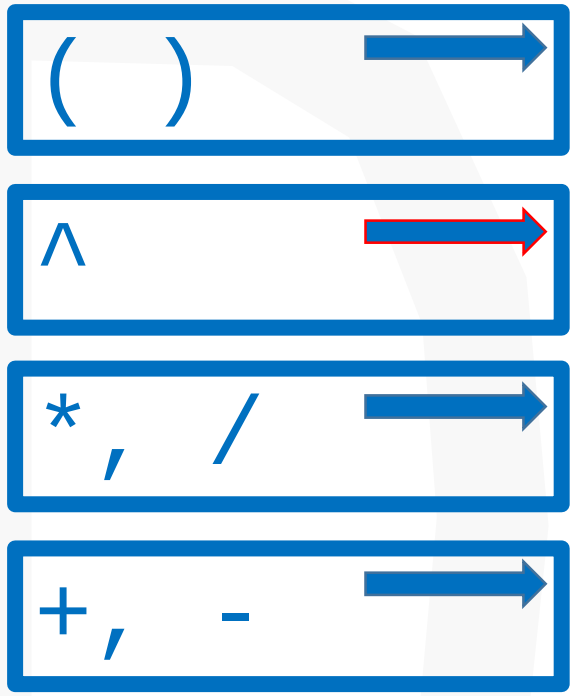
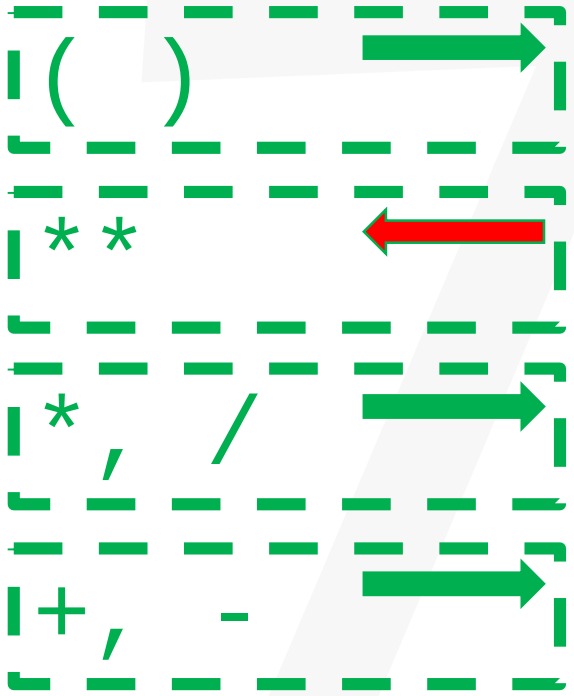


Highest

Lowest

4^{3^2}

```
4^(3^2)
```




```
4**3**2
>>> 4**3**2
262144
```

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Python

```
PV=800000
t=25
r=2.6/100
P=(r/12*PV)/(1-(1+r/12)**(-12*t))
print(P)
```

✓ ** ⇨ ^ (sometimes needs extra braces)

? print ⇨ disp

022 023

MATLAB

```
PV=800000;
t=25;
r=2.6/100;
P=(r/12*PV)/(1-(1+r/12)^(-12*t));
disp(P);
```

026

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disp

Display value of variable

```
>>> print(1, 2)
1 2
```

Syntax

```
disp(X)
```

```
>> disp(1,2)
Error using disp
Too many input arguments.
```

(and "another way")

Description

`disp(X)` displays the value of variable `X` without printing the variable name.

Another way to display a variable is to type its name, which displays a leading "`X =`" before the value.

If a variable contains an empty array, `disp` returns without displaying anything.

example

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Review (Python): `print` function

`sep=' '`

(Dr. Z: Python is OOP. The `str` function will produce different results according to the object it applies to.)

`print`(**objects, sep=' ', end='\n', file=sys.stdout, flush=False*)

Print *objects* to the text stream *file*, separated by *sep* and followed by *end*. *sep*, *end*, *file* and *flush*, if present, must be given as keyword arguments.

All non-keyword arguments are converted to strings like `str()` does and written to the stream, separated by *sep* and followed by *end*. Both *sep* and *end* must be strings; they can also be `None`, which means to use the default values. If no *objects* are given, `print()` will just write *end*.

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A temporary MATLAB solution:

(Dr. Z: `PythonPrint.m` can be downloaded from eLearn.)

PythonPrint.m

```
1  function PythonPrint(varargin)
2  -    outputstr='';
3  -    sep=' ';
4  -    for i=1:nargin
5  -        outputstr=[outputstr, sep, num2str(varargin{i})];
6  -    end
7  -    disp(outputstr);
```

025

```
print(1, 2) ⇔ PythonPrint(1, 2)
```

Command Window

```
>> PythonPrint(1, 2)
 1 2
>>
```

- ? User-defined functions
- ? Use of `varargin`
- ? Use of `nargin`
- ? Character vectors
- ? Colon operator
- ? `for` loop
- ? Concatenation of character vectors

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HDBLoan.m

```
1 -     clear
2 -     clc
3 -     PV=800000;
4 -     t=25;
5 -     r=2.6/100;
6 -     P=(r/12*PV)/(1-(1+r/12)^(-12*t))
7
```

By default, MATLAB® stores all numeric variables as double-precision floating-point values that are 8 bytes (64 bits).

026

(another "another way")

Command Window

```
P =
    3.6294e+03
>>
```

Is this the default format for the output?

Do Not Test

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https://www.mathworks.com/help/matlab/numeric-types.html

double	Double-precision arrays
single	Single-precision arrays
int8	8-bit signed integer arrays
int16	16-bit signed integer arrays
int32	32-bit signed integer arrays
int64	64-bit signed integer arrays
uint8	8-bit unsigned integer arrays
uint16	16-bit unsigned integer arrays
uint32	32-bit unsigned integer arrays
uint64	64-bit unsigned integer arrays

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https://in.mathworks.com/help/matlab/ref/format.html

Do Not Test

Default Format: `format short`

027

```
1
11
111
1111
11111
111111
1111111
11111111
111111111
1111111111
11111111111
```

will be displayed as

```
1
11
111
1111
11111
111111
1111111
11111111
111111111
1.1111e+09
1.1111e+10
```

4 digits after the decimal point

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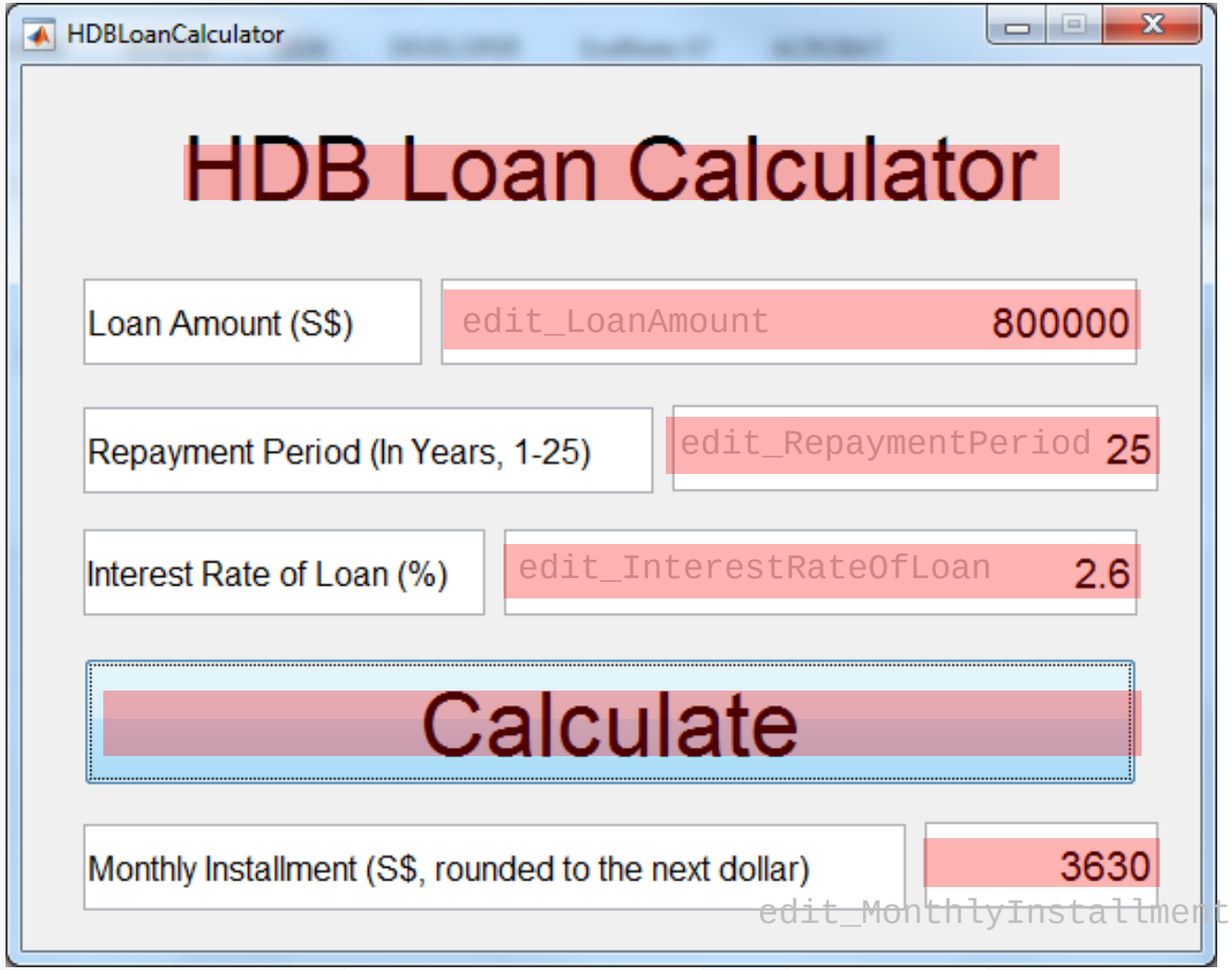
Senior Lecturer
Of Quantitative Finance



Homework Q1

Python PyQt5
objectName

(see demonstration)

028

029

MATLAB GUIDE
Tag

Do Not Test

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Type “guide” in Command Window, and …

Important Tag names:

- ✓ **edit_LoanAmount** (see demonstration on the next slide)
- ✓ edit_RepaymentPeriod
- ✓ edit_InterestRateOfLoan
- ✓ edit_MonthlyInstallment

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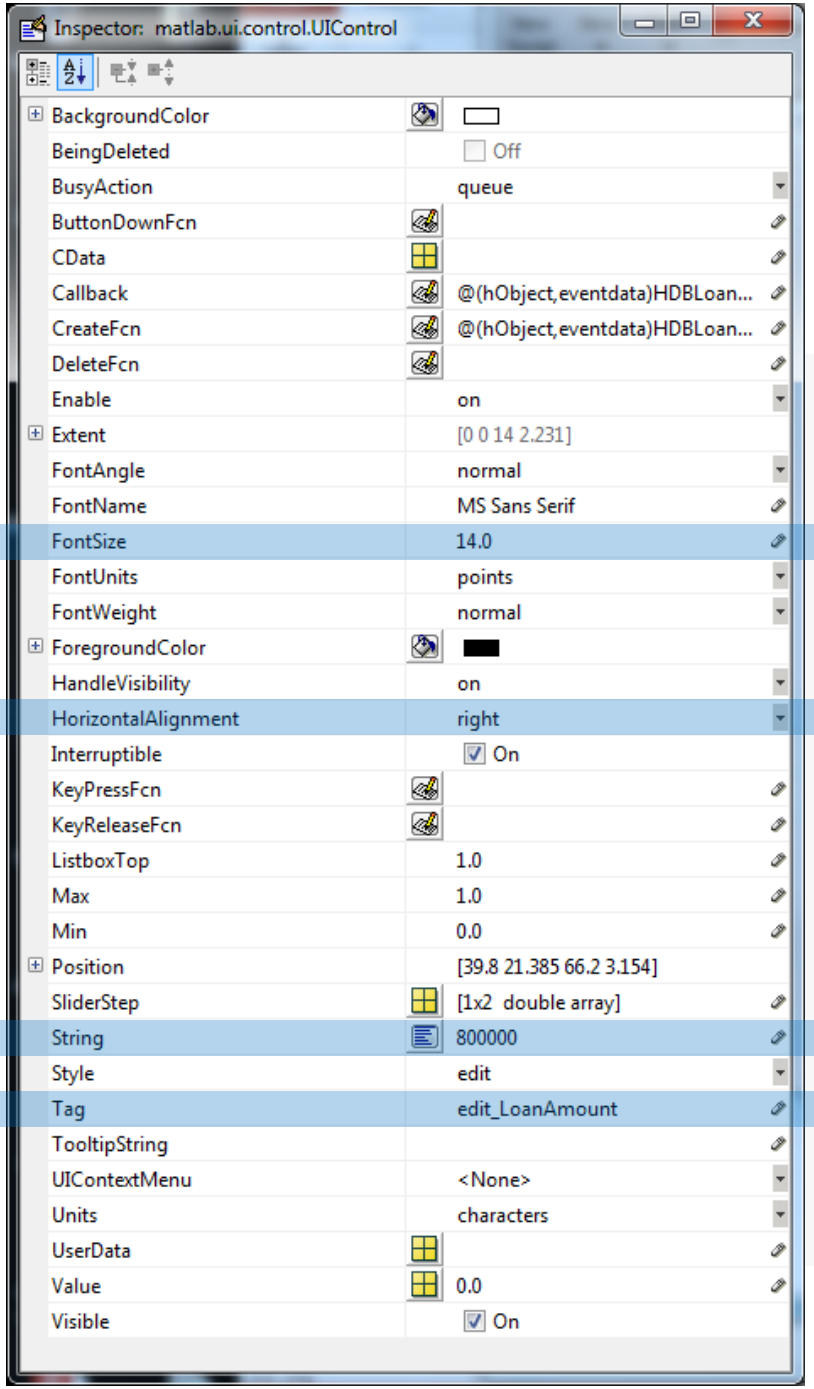

1. Change **FontSize**
2. Change **HorizontalAlignment**
3. Change **String**
4. Change **Tag** to

   `edit_LoanAmount`

029

Do Not Test

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```
% --- Executes on button press in pushbutton1.
function pushbutton1_Callback(hObject, eventdata, handles)
% hObject    handle to pushbutton1 (see GCBO)
% eventdata  reserved - to be defined in a future version of MATLAB
% handles    structure with handles and user data (see GUIDATA)

PV=str2num(handles.edit_LoanAmount.String);
t=str2num(handles.edit_RepaymentPeriod.String);
r=str2num(handles.edit_InterestRateOfLoan.String)/100;
P=(r/12*PV)/(1-(1+r/12)^(-12*t));
handles.edit_MonthlyInstallment.String = num2str(ceil(P));
```

Do Not Test

- handles.__tag__.String
- str2num, num2str
- ceil
- +, -, *, /, ^, ()

Do Not Test

029

030

031

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Mathematical Functions

https://www.mathworks.com/help/symbolic/mathematical-functions.html

$\ln(x)$ ⇨ `log(x)`	$\tan(x)$ ⇨ `tan(x)`
$\log_{10}(x)$ ⇨ `log10(x)`	$\cot(x)$ ⇨ `cot(x)`
$\log_2(x)$ ⇨ `log2(x)`	$\sec(x)$ ⇨ `sec(x)`
e^x ⇨ `exp(x)`	$\operatorname{asin}(x)$ ⇨ `asin(x)`
$\sin(x)$ ⇨ `sin(x)`	$\operatorname{acos}(x)$ ⇨ `acos(x)`
$\cos(x)$ ⇨ `cos(x)`	$\lfloor x \rfloor$ ⇨ `floor(x)`
$\lvert x \rvert$ ⇨ `abs(x)`	$\lceil x \rceil$ ⇨ `ceil(x)`

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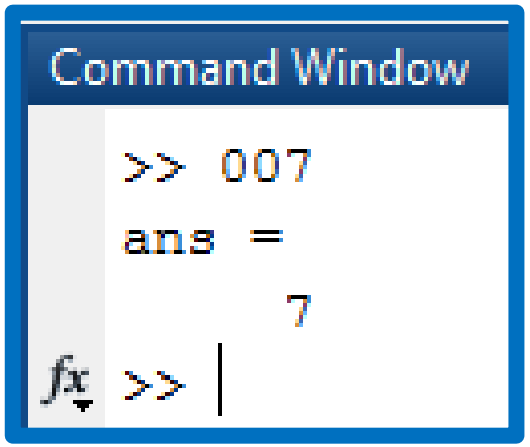
MATLAB:

```
>>> 007
  File "<stdin>", line 1
    007
      ^
SyntaxError: invalid token
>>>
```

033

Q: Can I use 007?

Integer Literals



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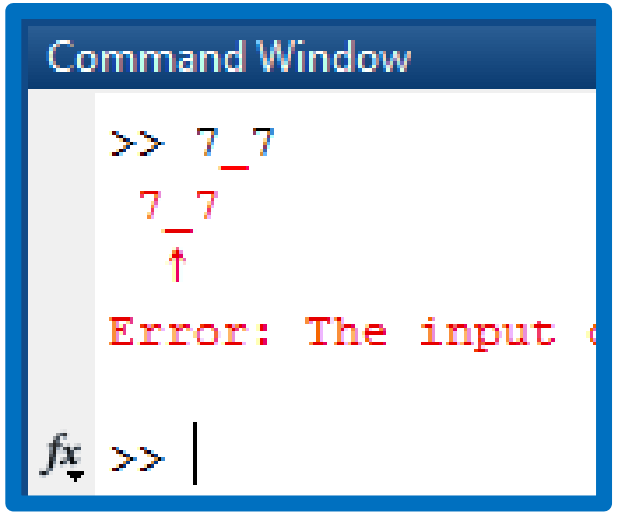
MATLAB:

```
>> 7_7
77
```

034

Q: Can I use 7_7?



Integer Literals

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MATLAB:

```
>>> 0xdeadbeaf
3735928495
```

035

Q: Can I use `0xdeadbeaf`?

Integer Literals

```
Command Window
>> 0xdeadbeaf
   0xdeadbeaf
    ↑
Error: Unexpecte
```

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MATLAB:

```
>> 1e5
100000.0
```

036

Q: Can I use 1e5?

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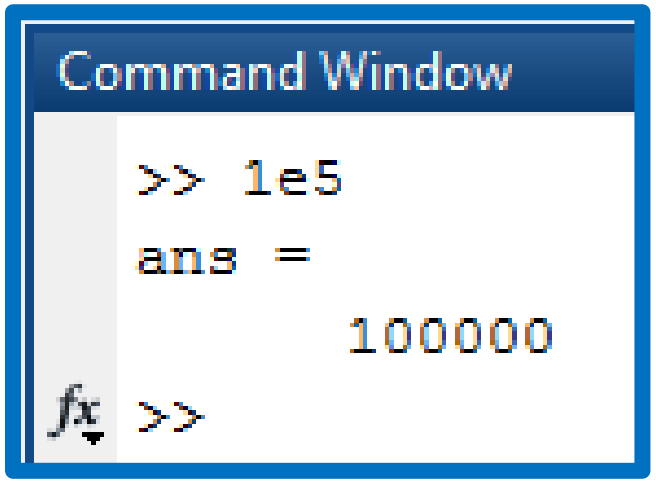
Float Literals



MATLAB String and Character Arrays

https://www.mathworks.com/help/matlab/matlab_prog/creating-character-arrays.html

- **Character Vector**: A sequence of characters enclosed in **single** quotation marks.
- **Character Array**: Character vectors stored as rows in a 2D array. Vectors need to be of the same number of characters.

- **String**: Starting in R2017a, we can create a string using **double** quotes. (New built-in function: `string`, `strings`, `split`, etc.)
- **String Array**: Create a string array using the [ ] operator, which is similar to storing character vectors in a cell array using the { } operator. (Dr. Z: This is a bit awkward.)

037

038

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https://www.mathworks.com/help/matlab/matlab_prog/matlab-operators-and-special-characters.html

	Symbol	Effect on Text
1	''	Single quotation mark
2	%%	Single percent sign
3	\\	Single backslash
	\a	Alarm
	\b	Backspace
	\f	Form feed
4	\n	New line
	\r	Carriage return
	\t	Horizontal tab
	\v	Vertical tab
	\xN	Hexadecimal number, N
	\N	Octal number, N

039

Command Window

```
>> sprintf('ABC''s%%\\')
ans =
ABC's%\
>>
```

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MATLAB:

```
>>> '''abc'''
'abc'
>>> 'abc'
'abc'
```

Q: Can I use triple-quotes to create strings?

040

String Literals

```
>> '''abc'''
ans =
'abc'
>> 'abc'
ans =
abc
```

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MATLAB:

```
>>> 'abc' 'def'
'abcdef'
```

041

Q: Will two adjacent string literals be concatenated ?

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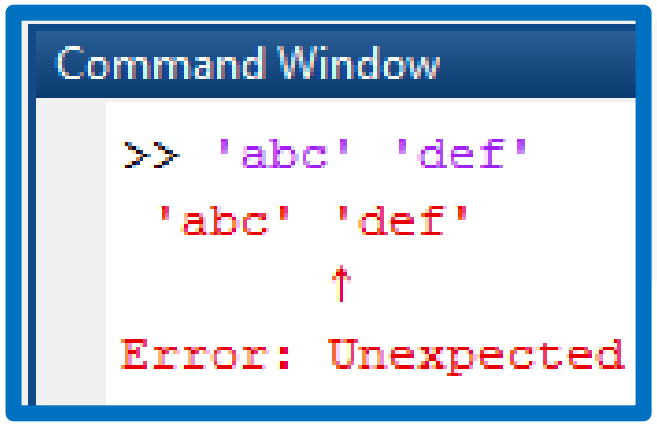
String Concatenation



MATLAB:

```
>> 'abc'+'def'
'abcdef'
```

042

Q: Does the sum of two string literals mean concatenation?

```
>> 'abc'+'def'
ans =
   197   199   201
```

String Concatenation

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MATLAB Basic String Operations:

- ❑ H-Concatenation using the [ ] operator 043
- ❑ H-Concatenation using the `strcat` function 044
- ❑ **Indexing and slicing (★★★★★)**
- ❑ Comparison using the `strcmp` function 045
- ❑ Find the first occurrence of one string in another. (Dr. Z: Note that we need this operation in the Sudoku Solver.) 046
- ❑ Others: _____

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Character Vector Concatenation using [ ] operator and strcat

```
>> x=['abc' 'cba']

x =

abccba

>> y=strcat('abc','def')

y =

abcdef
```

043 044

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```
>> x=['abc' 'cba']
x =
abccba
>> y=strcat('abc', 'def')
y =
abcdef
>> strcmp(x,y)
ans =
     0
>> strfind(x, 'a')
ans =
     1     6
>> strfind(x, 'e')
ans =
     []
```

- ✓ strcmp
- ✓ strfind

0 ?

1 6 ?

[] ?

045 046

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```
Command Window
>> x=['abc' 'cba']
x =
abccba
>> y=strcat('abc', 'def')
y =
abcdef
>> strcmp(x,y)
ans =
     0
>> strfind(x, 'a')
ans =
     1     6
>> strfind(x, 'e')
ans =
     []
>> x(1)
ans =
a
>> y(1:3)
ans =
abc
>> x(3:-1:1)
ans =
cba
```

047 048 049 050 051 052 053

- ✓Indexing and Slicing use braces.
- ✓The index of the first element is 1.
- ✓Negative index is not allowed.
- ✓Slicing "start:end" **includes** "end".
- ✓Extended slicing format: "start:step:end"
- ✓`x(1:1)` is not empty
- ✓`x(3:1)` is empty
- ✓1<=start, end<=length

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✓ Negative index is not allowed.

049 052 053

```
>> x(-1)
Subscript indices must either be real positive integers or logicals.
>> x(1:1)
ans =
a
>> x(3:1)
ans =
   Empty string: 1-by-0
```

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```
>>> 1:3
  File "<stdin>", line 1
SyntaxError: illegal target for annotation
```

1:3


```
>> 1:3

ans =

     1     2     3

>> [1, 2, 3]

ans =

     1     2     3
```

1:3 ⇔ [1, 2, 3]

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https://www.mathworks.com/help/matlab/ref/colon.html

colon, :

R2

Vector creation, array subscripting, and `for`-loop iteration

collapse all

The colon is one of the most useful operators in MATLAB®. It can create vectors, subscript arrays, and specify `for` iteratio

Syntax

```
x = j:
x = j:
A(:,n)
A(m,:)
A(:)
A(j:k)
```

Descripti

`x = j:k` crea
are both inte

`x = j:i:k` c
are roughly e
floating point
might not be
`j(1):i(1):`

`x = colon(j,k)` and `x = colon(j,i,k)` are alternate ways to execute the commands `j:k` and `j:i:k`, but are rarely used. These syntaxes enable operator overloading for classes.

example

`A(:,n)`, `A(m,:)`, `A(:)`, and `A(j:k)` are common indexing expressions for a matrix `A` that contain a colon. When you use a colon as a subscript in an indexing expression, such as `A(:,n)`, it acts as shorthand to include *all* subscripts in a particular array dimension. It is also common to create a vector with a colon for the purposes of indexing, such as `A(j:k)`. Some indexing expressions combine both uses of the colon, as in `A(:,j:k)`.

Common indexing expressions that contain a colon are:

- `A(:,n)` is the nth column of matrix `A`.
- `A(m,:)` is the mth row of matrix `A`.
- `A(:,:,p)` is the pth page of three-dimensional array `A`.
- `A(:)` reshapes all elements of `A` into a single column vector. This has n
- `A(:,:)` reshapes all elements of `A` into a two-dimensional matrix. This
  vector.
- `A(j:k)` uses the vector `j:k` to index into `A` and is therefore equivalent t
  `A(k)]`.
- `A(:,j:k)` includes all subscripts in the first dimension but uses the vector `j:k` to index in the second dimension. This returns a matrix with columns `[A(:,j), A(:,j+1), ..., A(:,k)]`.

Most of them will be explored in Sessions 03-05.

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Command Window

```
>> x='abcdef'
x =
abcdef
>> x([1,2,3])
ans =
abc
>> x(1:3)
ans =
abc
>> x([1,3,3,2])
```

055

056

Python Core is not vectorization-ready.

```
>>> x='abcdef'
>>> x[[1,2,3]]
Traceback (most re
  File "<stdin>",
TypeError: string
>>> x[1:3]
'bc'
```

Q: What is the output?

Q: How to create a 10-letter random “word” using the letters from a given word?

Q: How to create a 10-letter random "word" using the letters from a given word, say "Hello"?

In MATLAB, this problem is solved through the following steps:

1. Let `x='Hello'`
2. Generate a `10`-element array of random integers from `1` to `5` (i.e. the length of `x`) inclusive and name it `y`
3. The answer of the problem: `x(y)`

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```
clear
clc
x='Hello';
y=randi(length(x),1,10);
x(y)
```

Command Window

```
>> x='Hello'
x =
Hello
>> y=randi(length(x),1,10)
y =
     5     3     3     2     3     4     4     2     2     5
>> x(y)
ans =
ollellleeo
>>
```


We'll explore more on random number generation in a subsequent session.

Q: How to create a 10-letter random "word" using the letters from a given word, say "Hello"?

Use Python

Please pretend you have not learned Numpy yet.

Noticing that Python does not have the indexing feature in MATLAB as shown in the previous slide, we need a different approach:

1. Let `x='Hello'`
2. Use list comprehension to generate a list of `10` random integers from `0` to `4` (i.e. `len(x)-1`) inclusive and name it `ys`. (see `random.randrange`)
3. Use list comprehension to get a list of single letters from `x` at locations respectively equal to the random integers in `ys`.
4. Use string join method to combine all letters to get the answer.

[Hint: 2 and 3 can be combined if you know how to use `random.choice`.)

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```
from random import randrange
x='Hello'
ys=[randrange(5) for i in range(10)]
ans=''.join([x[y] for y in ys])
ans
```

```
>>> from random import randrange
>>> x='Hello'
>>> ys=[randrange(5) for i in range(10)]
>>> ys
[4, 0, 2, 1, 1, 4, 2, 2, 1, 4]
>>> ans=''.join([x[y] for y in ys])
>>> ans
'oHleeolleo'
>>> _
```

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Any Question?

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https://www.mathworks.com/help/matlab/ref/mod.html

https://www.mathworks.com/help/matlab/ref/rem.html

Remainder

% ⇨ ?

058 059

Integer Division

// ⇨ ?

(Dr. Z: Remember? We use them in the Sudoku Solver.)

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Remainder

058

```
>> mod(3,2)
ans =
     1
>> rem(3,2)
ans =
     1
>> mod(3.2,2)
ans =
    1.2000
>> rem(3.2,2)
ans =
    1.2000
>> mod(3,0)
ans =
     3
>> rem(3,0)
ans =
   NaN
```

mod vs. rem

Do Not Test

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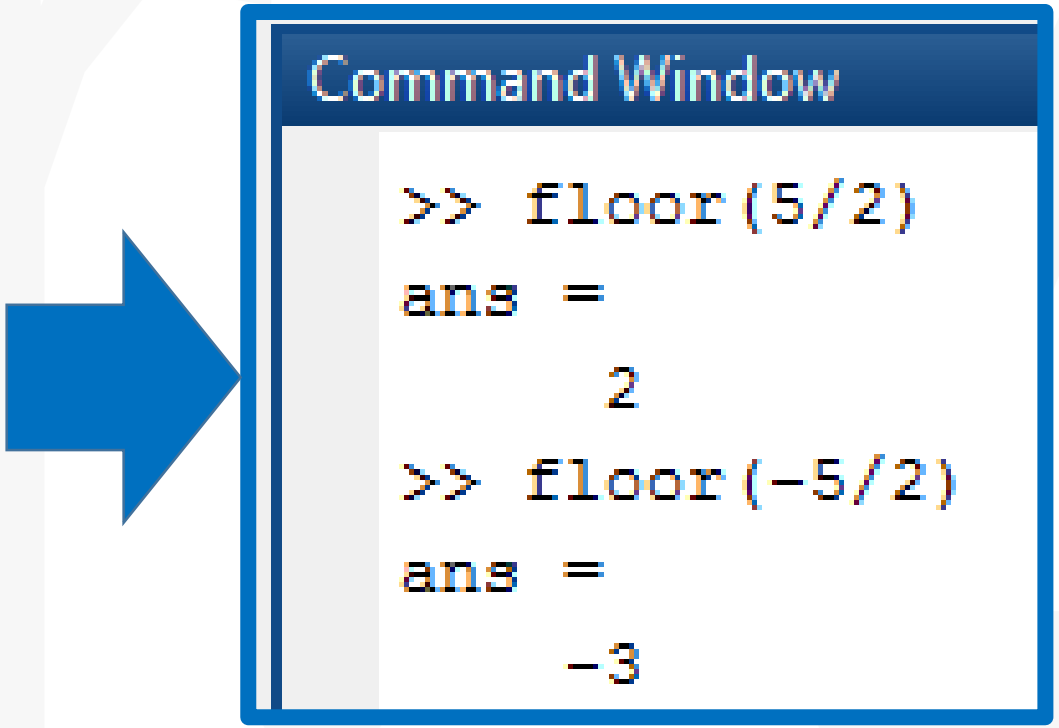
Integer Division

```
>>> 5/2
2
>>> -5/2
-3
```

⇔ floor

```
>>> from math import floor
>>> floor(5/2)
2
>>> floor(-5/2)
-3
```

(Dr. Z: By default, MATLAB treat every number as a floating point number with double precision.)



059

(Dr. Z: If the float numbers give us trouble in the Sudoku Solver, we'll learn how to use integers.)

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Main Components in a Programming Language

Python	Python
☑ Literals (int, float, complex, str, etc.)	☐ Boolean Operations
☑ Arithmetic Operators	☐ Built-in Functions: enumerate, min, max
☑ Expressions and Operator Precedence	☐ lambda expression (anonymous function)
☑ Variables/Identifiers	☐ Built-in Functions: filter, map, next, zip
☑ Scripts	☐ Truth Value Testing (and Built-in Function bool)
☐ Line Joining	☐ Set/Dictionary Operations and Methods
☑ Assignment Statements	☐ Augmented Assignment
☐ Comments	☐ Comparison Operators
☐ Indentation	☐ Control Flow (if Statements)
☐ User defined functions	☐ Control Flow (for Statements, while Statements)
☑ String Concatenation (operation)	☐ break and continue statements and else Clause
☑ String Indexing and Slicing (operation)	☐ Implementation of Big Sigma
☑ String Methods	☐ List/Set/Dictionary Comprehensions
☐ Lists Operations and Methods (deep copy)	☐ More on Assignments and Functions
☐ Tuple, Range, Set and Dictionary	☐ Classes
☐ Membership Test	☐ Error Handling

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MATLAB (Explicit) Line Joining

060

061

(Dr. Z: There's no implicit line joining.)

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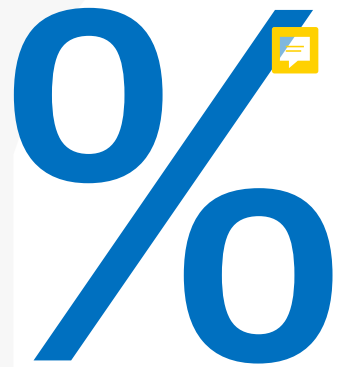
MATLAB Comments



062

(Dr. Z: In a string, it is the start of a format specifier, e.g. %d and %f.)

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MATLAB does not require "Indentation". Code blocks have "end".

063

(Dr. Z: Use "indentation" to help us to "view" the blocks. The "Editor" has a "Smart Indent" feature.)

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User-Defined Functions

M-File Functions

https://www.mathworks.com/help/matlab/matlab_prog/create-functions-in-files.html
https://www.mathworks.com/help/matlab/matlab_prog/local-functions.html

- In MATLAB, we need save the function definition in an M-file (i.e. a .m file), better to use the function name as the file name. (Python will laugh at it. Hahaha…)

064

- Only the first function (the main function) defined in the file is visible to others. Additional functions defined within the same file are only for internal use which are called local functions (or subfunctions).

065

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```
P=(r/12*PV)/(1-(1+r/12)^(-12*t));
```

```
function [P]=funP(PV, r, t)
    P=(r/12*PV)/(1-(1+r/12)^(-12*t));
end
```

066

We need to save the above code as **funP.m** (as "suggested") in a folder that MATLAB can find, say in the current directory.

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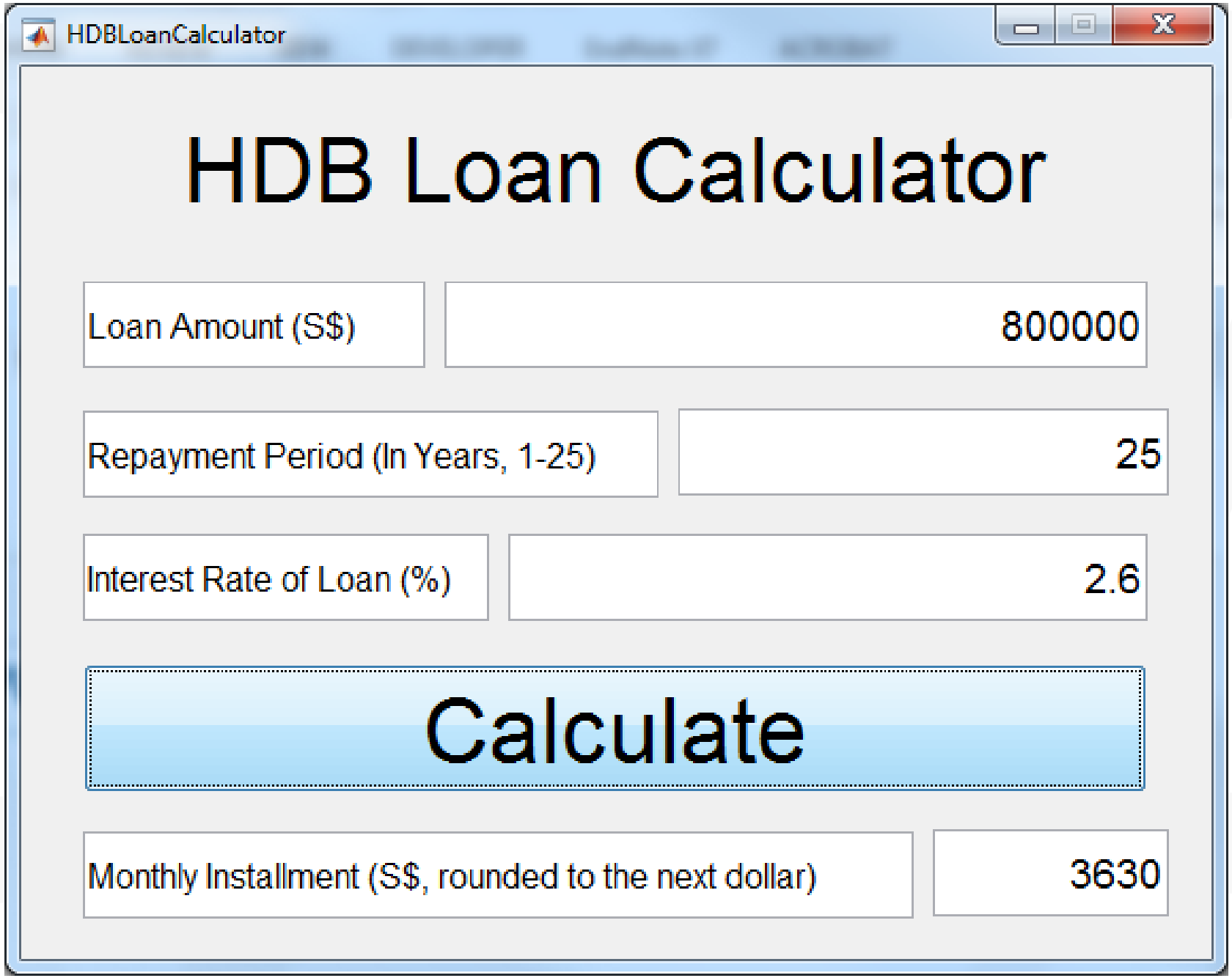

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```
% --- Executes on button press in pushbutton1.
function pushbutton1_Callback(hObject, eventdata, handles)
% hObject    handle to pushbutton1 (see GCBO)
% eventdata  reserved - to be defined in a future version of MATLAB
% handles    structure with handles and user data (see GUIDATA)

PV=str2num(handles.edit_LoanAmount.String);
t=str2num(handles.edit_RepaymentPeriod.String);
r=str2num(handles.edit_InterestRateOfLoan.String)/100;
P=funP(PV, r, t);
handles.edit_MonthlyInstallment.String = num2str(ceil(P));
```


Note that, in MATLAB, we do not need to import anything.

Homework Q1

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MATLAB functions

https://www.mathworks.com/help/matlab/ref/function.html

function

Declare function name, inputs, and outputs

Syntax

Multiple-Output

```
function [y1,...,yN] = myfun(x1,...,xM)
```

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```
def funP(PV, r, t):
    P=(r/12*PV)/(1-(1+r/12)**(-12*t))
    return P
```

Python Function

⇩

MATLAB Function

```
function [P]=funP(PV, r, t)
    P=(r/12*PV)/(1-(1+r/12)^(-12*t));
end
```

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```
from scipy.stats import norm
from math import *
def BS_EuroCallPut(S,K,r,q,sigma,T,t):
    d1=(log(S/K)+(r-q+sigma**2/2.)*(T-t))/(sigma*sqrt(T-t))
    d2=d1-sigma*sqrt(T-t)
    c=S*exp(-q*(T-t))*norm.cdf(d1)-K*exp(-r*(T-t))*norm.cdf(d2)
    p=K*exp(-r*(T-t))*norm.cdf(-d2)-S*exp(-q*(T-t))*norm.cdf(-d1)
    return [c, p]

r=BS_EuroCallPut(50,50,0.04,0.01,0.4,0.5,0)
print(r)
```

In-Class Exercise

(See sample answer on next slide.)

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Hints:

`scipy.stats.norm.cdf` ⇔ `normcdf`

`def` ⇔ M-File `function`

`retrun [c, p]` ⇔ Output `[c, p]=`

`log, sqrt, exp` ⇔ `log, sqrt, exp`

`**` ⇔ `^`

`print` ⇔ `disp`

Sample Answer to In-Class Exercise 68

BS_EuroCallPut.m

068

```
function [c,p]=BS_EuroCallPut(S,K,r,q,sigma,T,t)
d1=(log(S/K)+(r-q+sigma^2/2)*(T-t))/(sigma*sqrt(T-t));
d2=d1-sigma*sqrt(T-t);
c=S*exp(-q*(T-t))*normcdf(d1)-K*exp(-r*(T-t))*normcdf(d2);
p=K*exp(-r*(T-t))*normcdf(-d2)-S*exp(-q*(T-t))*normcdf(-d1);
end
```

```
clear;
clc;
[c, p]=BS_EuroCallPut(50,50,0.04,0.01,0.4,0.5,0)
```

(Dr. Z: BTW, this is the another "another way" to display the results computed.)

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testEuroCallPut.m

```
clear;
clc;
[c, p]=BS_EuroCallPut(50, 50, 0.04, 0.01, 0.4, 0.5, 0)
```

Command Window

```
c =
    5.9316
p =
    5.1909
```

Command Window

```
>> r=BS_EuroCallPut(50, 50, 0.04, 0.01, 0.4, 0.5, 0)
r =
    5.9316
>>
```

Q: What if we only prepare one variable for the output?

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MATLAB function does not have ~~keyword arguments~~. 070

MATLAB function does not have ~~keyword-only parameters~~. 071

MATLAB function with default arguments' values is not easy.

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In MATLAB, we only consider functions with **required arguments** and **optional arguments** (corresponding to parameters with default values).

```
function r=testfunction(a, b, varargin)
names={'color', 'height', 'width'};
v={'r', 0.85, 1.3};
n=length(varargin)/2;
for i=1:n
    k=find(strcmp(names, varargin{2*i-1}));
    v{k}=varargin{2*i};
end
r=[a, b, v];
```

⇦ Cell Arrays

⇦ for loops

Command Window

```
>> testfunction(1,2,'height',10,'color','b','width',8)
ans =
    [1]    [2]    'b'    [10]    [8]
>> testfunction(1,2)
ans =
    [1]    [2]    'r'    [0.8500]    [1.3000]
```

Do Not Test

⇨ slide 104

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A simple case (function parameters with default values):

```
def f(a, b, c=3, d=4):
    return a+b+c+d

print(f(1,2,3,4))
print(f(1,2,3))
print(f(1,2))
```

```
>>> def f(a, b, c=3, d=4):
...     return a+b+c+d
...
>>> f(1,2,3,4)
10
>>> f(1,2,3)
10
>>> f(1,2)
10
```

MATLAB `nargin`

```
function r=fd(a, b, c, d)
    if nargin==3
        d=4;
    elseif nargin==2
        c=3;
        d=4;
    end
    r=a+b+c+d;
```

Command Window

```
>> fd(1,2,3,4)
ans =
    10
>> fd(1,2,3)
ans =
    10
>> fd(1,2)
ans =
    10
```

Do Not Test

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Anonymous Functions

https://www.mathworks.com/help/matlab/matlab_prog/anonymous-functions.html

```
f=lambda x,y: x+y
```

⇨ function object


```
f=@(x,y) x+y;
f(1,2)
```

anonymous function

⇨ function handle

⇨ call the function with x=1, y=2

```
f={@(x) x+1, ...
   @(x,y) x+y};
```

⇨ function handle cell array

Q: How to call the first function with x=1?

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Command Window

```
>> f=@(x,y) x+y;
>> f(1,2)
ans =
     3
>> f={@(x) x+1, @(x,y) x+y};
>> f{1}(1)
ans =
     2
```

073

Q: How to evaluate the first function's value at x=1? (Next, we'll learn cell arrays.)

- String
- List
- Tuple
- Range
- Set
- Dictionary
- Class

☑ Character Vector: `'ab'`

Array: `[1,2]`

Cell Array: `{1,'a'}`

Structure: `x.a`

Class: `x.a`

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a sequence of character vectors ⇨ concatenated into one

```
☑ x=['ab', 'cde']
```

074

a sequence of numbers

```
☑ x=[1, 2]
```

```
>> [1]
ans =
     1
```

(Dr. Z: We'll study 2D arrays and cell arrays in Sessions 03-04.)

075

a sequence of mixed items

```
☒ x=[1, 'ab']   ⇔ x=[char(1), {'ab'}]
```

```
>> double('a')
ans =
    97
>> char(97)
ans =
a
```

Numbers are automatically converted to characters when concatenated with character vectors.

076

a sequence of mixed items

```
☑ x={1, 'ab'}   ⇔ x=[{1}, {'ab'}]
```

077

a cell array ⇔ an array of cells

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MATLAB does not have nested arrays.

078

```
[[1,2],[3,4]] ⇨ [1,2,3,4]
```

MATLAB has nested cell arrays.

079

☑ `x={{1,2},{3,4}}`

Cell Array Indexing: `x(1)` and `x{1}`

Cell Array Slicing: `x(1:2)` and `x{1:2}`

(See examples on subsequent slides.)

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x={{1,2},{3,4}}

⇔ x=[{{1,2}},{{3,4}}]

☑ x(1)⇨{{1,2}}

the first cell

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080

```
x={{1,2},{3,4}}
```

☑ `x{1}`⇨`{1,2}`

content in the first cell

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080

```
x={{1,2},{3,4}}
```

(A) x(1)(1)

(B) x(1){1}

(C) x{1}(1)

(D) x{1}{1}

(E) Others:_____

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```
>> x(1)(1)
Error: ()-indexing must appear last in an index expression.
>> x(1){1}
Error: ()-indexing must appear last in an index expression.
```

```
>> x{1}(1)

ans =

     [1]

>> x{1}{1}

ans =

     1
```

080

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https://www.mathworks.com/help/matlab/matlab_prog/comma-separated-lists.html

Command Window

```
>> x={1, 2, 3};
>> x(1:2)
ans =
    [1]    [2]
>> x{1:2}
ans =
     1
ans =
     2
>> [a,b]=x{1:2}
a =
     1
b =
     2
>> {x{1:2}}
ans =
    [1]    [2]
```

081

!!!!!!!!!

For a cell array x, x{1:2} creates a comma-separated list.

Extracting multiple elements from a cell array yields a comma-separated list.

082

For a cell array x,

x(1:2) ⇔ {x{1:2}}

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```
Command Window
>> 1,2
ans =
     1
ans =
     2
>> x={1, 2, 3}
x =
    [1]    [2]    [3]
>> x{1:2}
ans =
     1
ans =
     2
>> [a, b]=x{1:2}
a =
     1
b =
     2
>> [a, b]=1, 2
Too many output arguments.
```

A Comma-Separated List

A Comma-Separated List

081

Assignment

!!!Too many output arguments!!!

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Assignment

```
>> [a, b]=deal(1, 2)

a =

     1

b =

     2
```

```
>> [a, b]=deal(x{1:2})

a =

     1

b =

     2
```


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Command Window

```
>> 1, 2, 3
ans =
     1
ans =
     2
ans =
     3
>> x={1, 2, 3}
x =
    [1]    [2]    [3]
>> x{:}
ans =
     1
ans =
     2
ans =
     3
```

```
>> [a, b]=1, 2, 3
Too many output arguments.
>> [a, b]=deal(1, 2, 3)
Error using deal (line 37)
The number of outputs should match the number of inputs.
>> [a, b]=deal(x{:})
Error using deal (line 37)
The number of outputs should match the number of inputs.
>> [a, b]=x{:}
a =
     1
b =
     2
```

083

Q: What is the output?

Q: “deal” or not?

Format of the value displayed

```
>> 1
ans =
     1
>> 'a'
ans =
a
>> {'a'}
ans =
    'a'
>> [1,2]
ans =
     1     2
>> {[1,2]}
ans =
    [1x2 double]
```

The character vector does not show single-quotation marks.

We see single-quotation marks when the character vector is in a cell array.

Array of numbers does not show brackets.

We see brackets when the array of numbers is in a cell array.

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```
>> {{1,2},{3,4}}

ans =

    {1x2 cell}    {1x2 cell}
```

What is displayed?

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Add items to a cell array: [] and horzcat

Command Window

```
>> [{1, 2}, 3]
ans =
    [1]    [2]    [3]
>> [{1, 2}, {3}]
ans =
    [1]    [2]    [3]
>> [{1, 2}, 3, 4]
ans =
    [1]    [2]    [3]    [4]
>> [{1, 2}, [3, 4]]
ans =
    [1]    [2]    [1x2 double]
>> [{1, 2}, num2cell([3, 4])]
ans =
    [1]    [2]    [3]    [4]
```

Command Window

```
>> horzcat({1, 2}, 3)
ans =
    [1]    [2]    [3]
>> horzcat({1, 2}, {3})
ans =
    [1]    [2]    [3]
>> horzcat({1, 2}, 3, 4)
ans =
    [1]    [2]    [3]    [4]
>> horzcat({1, 2}, [3, 4])
ans =
    [1]    [2]    [1x2 double]
>> horzcat({1, 2}, num2cell([3, 4]))
ans =
    [1]    [2]    [3]    [4]
```

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Structures/Structure Arrays (1)

https://www.mathworks.com/help/matlab/matlab_prog/create-a-structure-array.html

```
>>> x.a=1
Traceback (most recent call last):
  File "<stdin>", line 1, in <module>
NameError: name 'x' is not defined
```

090

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```
x
|
+--.a
|
+--.b
```

fields

Command Window

```
>> x.a=1
x =
     a: 1
>> x.b=2
x =
     a: 1
     b: 2
```

⇔ `x=struct('a',1, 'b',2)`

```
>> x=struct('a',1','b',2)
x =
     a: 1
     b: 2
>> fieldnames(x)
ans =
     'a'
     'b'
```

⇨ a cell array

Structures/Structure Arrays (2)

Command Window

```
>> x.a=1
x =
    a: 1
>> y.a='abc'
y =
    a: 'abc'
>> [x y]
ans =
1x2 struct array with fields:
    a
```

Command Window

```
>> x.a=1
x =
    a: 1
>> y.b=2
y =
    b: 2
>> [x y]
Error using horzcat
Names of fields in stru
arrays requires that th
```

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Structures/Structure Arrays (3)


```
Command Window
>> x.a=1
x =
    a: 1
>> y.a='abc'
y =
    a: 'abc'
>> s=[x,y]
s =
1x2 struct array with fields:
    a
>> s.a
ans =
     1
ans =
abc
```

For a structure array, extracting a field of the structure yields a comma-separated list.

`s.a ⇔ s(1).a, s(2).a`

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Comma-Separate Lists as Function Call Arguments

```
X = -pi:pi/10:pi;
Y = tan(sin(X)) - sin(tan(X));
C = cell(2,3);
C{1,1} = 'LineWidth';
C{2,1} = 2;
C{1,2} = 'MarkerEdgeColor';
C{2,2} = 'k';
C{1,3} = 'MarkerFaceColor';
C{2,3} = 'g';
figure
plot(X,Y,'--rs',C{:})
```

⇦ slide 83

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Comma-Separate Lists as Function Outputs

f3.m

```
1   function [a, b, c]=f3(x)
2 –     a=x;
3 –     b=2*x;
4 –     c=3*x;
```

Command Window

```
>> [a, b, c]=f3(1)
a =
     1
b =
     2
c =
     3
>> c={0, 0, 0}
c =
    [0]    [0]    [0]
>> [c{:}]=f3(1)
c =
    [1]    [2]    [3]
```

```
>> [c{1}, c{2}, c{3}]=f3(2)
c =
    [2]    [4]    [6]
c =
    [2]    [4]    [6]
c =
    [2]    [4]    [6]
```

(Dr. Z: We notice a small difference in the display.)

(Dr. Z: This should also work on a field of a structure array, right?)

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MATLAB does not have “Membership Test Operators”. There is a MATAB built-in function for membership test. And this function can do more.

093

ismember

https://www.mathworks.com/help/matlab/ref/ismember.html

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https://www.mathworks.com/help/matlab/ref/ismember.html

ismember

Array elements that are members of set array

093

Syntax

```
Lia = ismember(A,B)
Lia = ismember(A,B,'rows')
[Lia,Locb] = ismember( __ )

[Lia,Locb] = ismember( __ ,'legacy')
```

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`[Lia,Locb] = ismember( __ )` also returns an array, `Locb`, using any of the previous syntaxes.

- Generally, `Locb` contains the lowest index in `B` for each value in `A` that is a member of `B`. Values of `0` indicate where `A` is not a member of `B`.
- If the `'rows'` option is specified, then `Locb` contains the lowest index in `B` for each row in `A` that is also a row in `B`. Values of `0` indicate where `A` is not a row of `B`.
- If `A` and `B` are tables or timetables, then `Locb` contains the lowest index in `B` for each row in `A` that is also a row in `B`. Values of `0` indicate where `A` is not a row of `B`.

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```
>> [a,b]=ismember(1,[3,1,2,1])
a =
     1
b =
     2
>> [a,b]=ismember(4,[3,1,2,1])
a =
     0
b =
     0
>> [a,b]=ismember('0','5030')
a =
     1
b =
     2
>> [a,b]=ismember('0','5134')
a =
     0
b =
     0
```

MATLAB does not show "True" or "False". Instead, MATLAB uses 1 and 0.

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Q: Is `'abc'` a substring of `'dabca'`? (MATLAB 2016a)

- ☑ `strfind` can help, but may need two steps.
- ☒ `ismember` does not help.

Command Window

```
>> [a,b]=ismember('abc','dabca')
a =
     1     1     1
b =
     2     3     4
```

095

```
>>> 'abc' in 'dabca'
True
```

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Truth Value Testing

False:

- ☑ None
- ☑ False
- ☑ 0
- ☑ 0.0
- ☑ 0j
- ☑ ''
- ☑ ()
- ☑ []
- ☑ {}
- ☑ range(0)

False:

0
0.0
0i or 0j

0

logical

(Dr. Z: Some values are neither True nor False. See next slide.)

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```
Command Window
>> logical(0)
ans =
     0
>> logical(0.0)
ans =
     0
>> logical(0j)
ans =
     0
>> logical(5)
ans =
     1
>> logical('a')
ans =
     1
```

```
>> logical([])
ans =
     []
>> logical({})
Error using log
Conversion to l
>> logical('')
ans =
     []
>> isempty([])
ans =
     1
>> isempty({})
ans =
     1
>> isempty('')
ans =
     1
```

097

isempty

(Dr. Z: Use `isempty` on an empty string, an empty array and an empty cell for a truth falue. The empty string and empty array are neither True or False. Empty cell array is even more complicated.)

Comparison (Relational) Operators

https://www.mathworks.com/help/matlab/matlab_prog/array-comparison-with-relational-operators.html

Symbol	Function Equivalent	Description
`<`	`lt`	Less than
`<=`	`le`	Less than or equal to
`>`	`gt`	Greater than
`>=`	`ge`	Greater than or equal to
`==`	`eq`	Equal to
`~=`	`ne`	Not equal to

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```
>>> x=3
>>> print(1<x<5)
True
```

```
>>> print(1<10<5)
False
```

MATLAB does not support "Chained Comparison".

```
>> 1<3<5

ans =

     1
```

```
>> 1<10<5

ans =

     1
```

098

099

Dr. Z: Let me explain.

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Inf, NaN in a Comparison

- `Inf` values are equal to other `Inf` values.
- `NaN` values are not equal to any other numeric value, including other `NaN` values.

```
math.inf
math.nan
```

```
>>> import math
>>> math.inf==math.inf
True
>>> math.nan==math.nan
False
```

`Inf` or `inf`

`NaN` or `nan`

```
>> inf==inf
ans =
     1
>> nan==nan
ans =
     0
```

100

101

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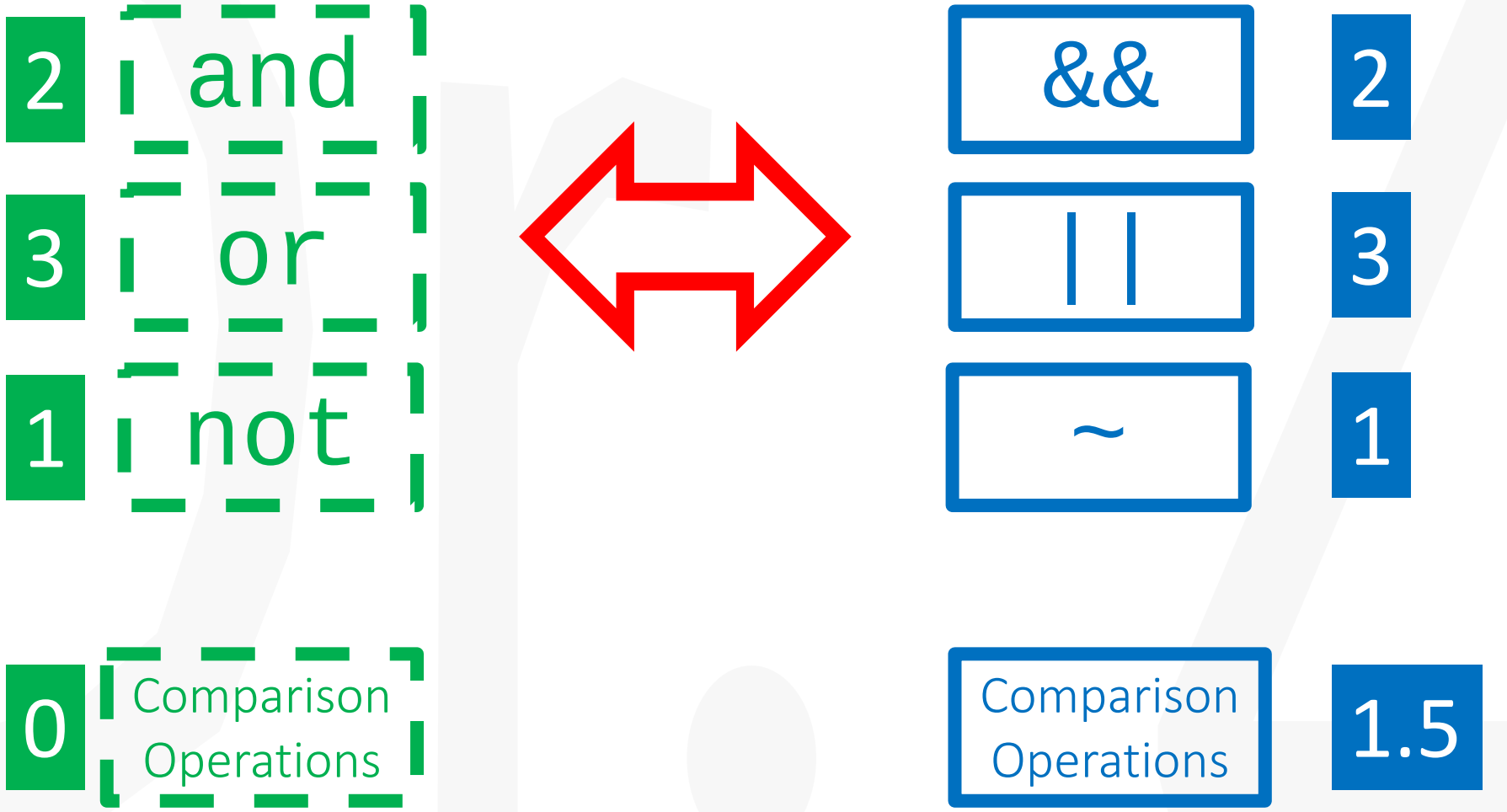
Boolean (Logical) Operations



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☒ a == not b

⇔ (a == not) b

```
>>> True == not True
  File "<stdin>", lin
    True == not True
                 ^
SyntaxError: invalid
```

☑ a == ~ b

⇔ a == (~ b)

```
>> 1 == ~ 1

ans =

     0
```


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MATLAB does not have "augmented assignment".

MATLAB does not have set or dictionary. However, MATLAB has some functions for set operations.

`intersect` `ismember` `setdiff` `union` `unique`

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```
>> intersect([1,2,2],[2,3])
ans =
     2
>> intersect({1,2,2},{2,3})
Error using cell/intersect>cellintersec
Input A of class cell and input B of c
string.
Error in cell/intersect (line 84)
    [varargout{1:nlhs}] = cellintersec
>> intersect({'1','2','2'},{'2','3'})
ans =
    '2'
>> intersect('122','23')
ans =
2
```

intersect

ismember

setdiff

union

unique

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```
>> union([1,2,2],[2,3])
ans =
     1     2     3
>> union({1,2,2},{2,3})
Error using cell/unionR2
Input A of class cell and input B
string.
Error in cell/union (line 88)
    [varargout{1:nlhs}] = cellunic
>> union({'1','2','2'},{'2','3'})
ans =
    '1'    '2'    '3'
>> union('122','23')
ans =
123
```


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```
>> setdiff([1,2,2],[2,3])
ans =
     1
>> setdiff({1,2,2},{2,3})
Error using cell/setdiff>cellsetdif
Input A of class cell and input B o
string.
Error in cell/setdiff (line 83)
    [varargout{1:nlhs}] = cellsetdi
>> setdiff({'1','2','2'},{'2','3'})
ans =
    '1'
>> setdiff('122','23')
ans =
1
```

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intersect
ismember
setdiff
union
unique

```
>> ismember(1,[1,2,2])
ans =
     1
>> ismember(1,{1,2,2})
Error using cell/ismember (line
Input A of class double and inp
a string.
>> ismember('1',{'1','2','2'})
ans =
     1
>> ismember('1','122')
ans =
     1
```


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```
>> unique([1,2,2])
ans =
     1     2
>> unique({1,2,2})
Error using cell/unique (line 85)
Input A must be a cell array of strings.
>> unique({'1','2','2'})
ans =
    '1'    '2'
>> unique('122')
ans =
12
```


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https://www.mathworks.com/help/matlab/control-flow.html

Control Flow

R2018a

Conditional statements, loops, branching

MATLAB Language Syntax

`if, elseif, else`	Execute statements if condition is true
`for`	for loop to repeat specified number of times
`parfor`	Parallel for loop
`switch, case, otherwise`	Execute one of several groups of statements
`try, catch`	Execute statements and catch resulting errors
`while`	while loop to repeat when condition is true

`break`	Terminate execution of for or while loop
`continue`	Pass control to next iteration of for or while loop
`end`	Terminate block of code, or indicate last array index
`pause`	Stop MATLAB execution temporarily
`return`	Return control to invoking function

MATLAB has **`return`** statement. But this **`return`** is not that **`return`**.

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https://www.mathworks.com/help/matlab/ref/if.html

if, elseif, else

Execute statements if condition is true

Syntax

```
if expression
    statements
elseif expression
    statements
else
    statements
end
```

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```
if expression:
   statements
elif expression:
   statements
else:
   statements
```

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2. Income Tax Calculator (ver. 1)

```
x=150_000
if 0<=x<20_000:
    y=0
elif 20_000<=x<30_000:
    y=0+0.02*(x-20_000)
elif 30_000<=x<40_000:
    y=200+0.035*(x-30_000)
elif 40_000<=x<80_000:
    y=550+0.07*(x-40_000)
elif 80_000<=x<120_000:
    y=3_350+0.115*(x-80_000)
elif 120_000<=x<160_000:
    y=7_950+0.15*(x-120_000)
elif 160_000<=x<200_000:
    y=13_950+0.18*(x-160_000)
elif 200_000<=x<240_000:
    y=21_150+0.19*(x-200_000)
elif 240_000<=x<280_000:
    y=28_750+0.195*(x-240_000)
elif 280_000<=x<320_000:
    y=36_550+0.2*(x-280_000)
else:
    y=44_550+0.22*(x-320_000)
print(y)
```

A<=B<C ⇔ A<=B and B<C

and ⇔ &&

elif ⇔ elseif

if ⇔ if...end

print ⇔ disp

In-Class Exercise

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2. Income Tax Calculator (ver. 2)

```
bi=[0, 200, 550, 3350, 7950, 13950, 21150, 28750, 36550, 44550]
mi=[2.0, 3.5, 7.0, 11.5, 15.0, 18.0, 19.0, 19.5, 20.0, 22.0]
xi=[20000, 30000, 40000, 80000, 120000, 160000, 200000, 240000, 280000, 320000]
x=400_000
if x>xi[-1]:
    i=len(xi)-1
else:
    i=next(filter(lambda w: w[1]>x, enumerate(xi)))[0]-1

if i==-1:
    y=0
else:
    y=bi[i]+mi[i]/100*(x-xi[i])
print(y)
```

⇨i=len(xi)-1

⇨i=-1,0,…,len(xi)-2

In-Class Exercise

Homework Q2

```
i=next(filter(lambda w: w[1]>x, enumerate(xi)))[0]-1
```

Find the position of the first number in a list, `xi`, which is greater than `x`.

```
c=find(xi>x);
i=c(1)-1;
```

`[i]` ⇔ `(i)` or `(i+1)`

`[-1]` ⇔ `(end)`

`len()` ⇔ `length()`

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https://www.mathworks.com/help/matlab/ref/switch.html

switch, case, otherwise

Execute one of several groups of statements

Syntax

```
switch switch_expression
    case case_expression
        statements
    case case_expression
        statements
     ...
    otherwise
        statements
end
```

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Description

`switch switch_expression, case case_expression, end` evaluates an expression and chooses to execute one of several groups of statements. Each choice is a case.

The `switch` block tests each case until one of the case expressions is true. A case is true when:

- For numbers, *`case_expression == switch_expression`*.
- For character vectors, `strcmp(case_expression,switch_expression) == 1`.
- For objects that support the `eq` function, *`case_expression == switch_expression`*.
- For a cell array *`case_expression`*, at least one of the elements of the cell array matches *`switch_expression`*, as defined above for numbers, character vectors, and objects.

When a case expression is true, MATLAB® executes the corresponding statements and exits the `switch` block.

An evaluated *`switch_expression`* must be a scalar or character vector. An evaluated *`case_expression`* must be a scalar, a character vector, or a cell array of scalars or character vectors.

The `otherwise` block is optional. MATLAB executes the statements only when no case is true.

Scalars: 1x1 matrices; **Vectors:** 1xn or nx1 matrices; **Matrices:** mxn, where m, n >=2

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isscalar, isvector, ismatrix, isempty

A	isscalar(A)	isvector(A)	ismatrix(A)	isempty(A)
2	1 (true)	1 (true)	1 (true)	0 (false)
[2, 2]	0 (false)	1 (true)	1 (true)	0 (false)
[2; 2]	0 (false)	1 (true)	1 (true)	0 (false)
[2 2;2 2]	0 (false)	0 (false)	1 (true)	0 (false)
[]	0 (false)	0 (false)	1 (true)	1 (true)
'a'	1 (true)	1 (true)	1 (true)	0 (false)
'abc'	0 (false)	1 (true)	1 (true)	0 (false)
''	0 (false)	0 (false)	1 (true)	1 (true)

- A character vector is a vector, and therefore is a matrix.
- A single character is a scalar, and therefore is a vector and is a matrix.

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For Numbers

```
n = input('Enter a number: ');

switch n
    case -1
        disp('negative one')
    case 0
        disp('zero')
    case 1
        disp('positive one')
    otherwise
        disp('other value')
end
```

```
n = input('Enter a number: ');

if n==-1
    disp('negative one')
elseif n==0
    disp('zero')
elseif n==1
    disp('positive one')
else
    disp('other value')
end
```

Do Not Test

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For Character Vectors

```
s=input('Enter a string:','s');

switch n
    case 'Good'
        disp('Good')
    case 'Bad'
        disp('Bad')
    otherwise
        disp('others')
end
```

```
s=input('Enter a string:','s');

if strcmp(s, 'Good')
    disp('Good')
elseif strcmp(s, 'Bad')
    disp('Bad')
else
    disp('others')
end
```

Do Not Test

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For a Cell Array

```
n = input('Enter a number:');

switch n
    case {-1, 1}
        disp('abs=1')
    case 0
        disp('abs=0')
    case {-2, 2}
        disp('abs=2')
    otherwise
        disp('abs=other')
end
```

```
n = input('Enter a number:');

if n==-1 || n==1
    disp('abs=1')
elseif n==0
    disp('abs=0')
elseif n==-2 || n==2
    disp('abs=2')
else
    disp('abs=other')
end
```

Do Not Test

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A Challenge

```
n = input('Enter a number:');

switch 1
    case 0<=n && n<50
        disp('F')
    case n>=80
        disp('A')
    otherwise
        disp('others')
end
```

```
n = input('Enter a number:');

if 0<=n && n<50
    disp('F')
elseif n>=80
    disp('A')
else
    disp('others')
end
```

Do Not Test

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https://www.mathworks.com/help/matlab/ref/arrayfun.html

https://www.mathworks.com/help/matlab/ref/cellfun.html

https://www.mathworks.com/help/matlab/ref/structfun.html

(Dr. Z: Python uses iterables in a for-loop. MATLAB uses functions to help to loop over items of a data structure.)

arrayfun, cellfun and structfun (map)

✓ arrayfun

Apply function to each element of an array.

- ❑ **B=arrayfun(func, A)**: B(i)=func(A(i)) → row array
- ❑ **B=arrayfun(func, A1, …, An)**: B(i)=func(A1(i),…,An(i)) → row array
- ❑ **B=arrayfun(__,'UniformOutput',false)** → cell array
- ❑ **[B1,…,Bm]=arrayfun(___)**

✓ cellfun

Apply function to each cell in a cell array

- ❑ **A=cellfun(func, C)**: A(i)=func(C{i}) → row array
- ❑ **A=cellfun(func, C1, …, Cn)**: A(i)=func(C1{i},…,Cn{i}) → row array
- ❑ **A=cellfun(__, 'UniformOutput',false)** → cell array
- ❑ **[A1,…,Am]=cellfun(___)**

✓ structfun

Apply function to each field of a scalar structure

- ❑ **A = structfun(func,S)** → column array
- ❑ **A = structfun(func,S, 'UniformOutput',false)** → cell array
- ❑ **[A1,...,Am] = structfun(___)**

Loop Controls (1): `for` loop

for

R2018a

`for` loop to repeat specified number of times

collapse all in page

Syntax

```
for index = values
   statements
end
```

Description

example

`for index = values, statements, end` executes a group of statements in a loop for a specified number of times. *values* has one of the following forms:

- *initVal*:*endVal* — Increment the *index* variable from *initVal* to *endVal* by 1, and repeat execution of *statements* until *index* is greater than *endVal*.
- *initVal*:*step*:*endVal* — Increment *index* by the value *step* on each iteration, or decrements *index* when *step* is negative.
- *valArray* — Create a column vector, *index*, from subsequent columns of array *valArray* on each iteration. For example, on the first iteration, *index* = *valArray*(:,1). The loop executes a maximum of *n* times, where *n* is the number of columns of *valArray*, given by numel(*valArray*(1,:)). The input *valArray* can be of any MATLAB® data type, including a character vector, cell array, or struct.

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Command Window

```
>> for i=1:3
    disp(i)
end
     1
     2
     3
```

```
>> x=1:3
x =
     1     2     3
>> for i=x
    disp(i)
end
     1
     2
     3
```

```
>>> x=[1, 2, 3]
>>> for i in x:
...     print(i)
...
1
2
3
```

1:3 ⇔ [1, 2, 3]

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```
>>> x=[1, 2, 3]
>>> for i in x:
...     x[2]=4
...     print(i)
...
1
2
4
```

```
Command Window
>> x=1:3
x =
     1     2     3
>> for i=x
   x(3)=4;
   disp(i)
   end
     1
     2
     3
```


(Discussion Time)

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```
Command Window

>> for i=1:3
       i=5;
       disp(i);
   end
     5
     5
     5
```

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(Discussion Time)

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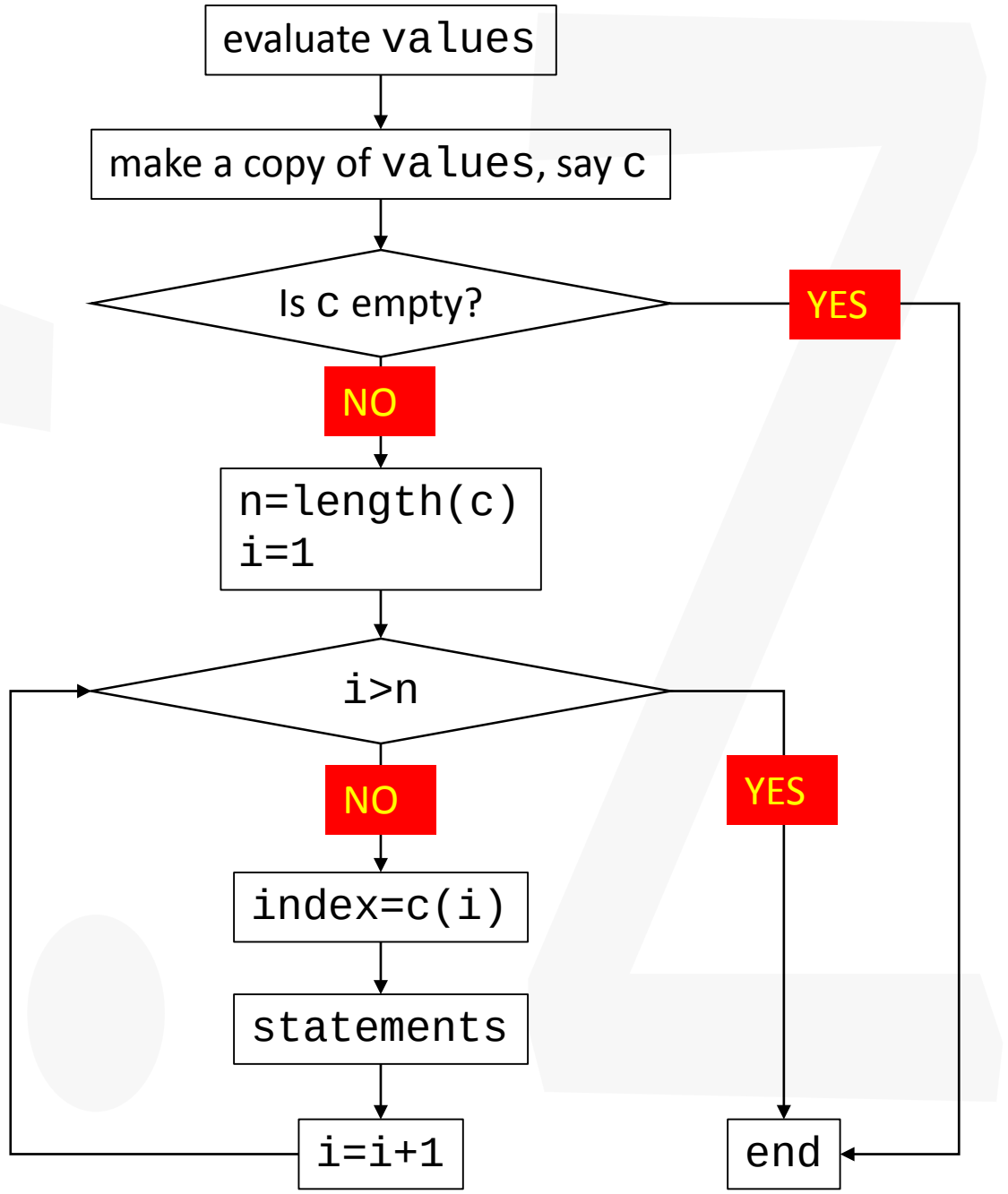
```
for index = values
    statements
end
```



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```
Command Window

>> for i='abc'
    disp(i)
    i=2;
    end

a

b

c
```

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```
Command Window
>> for i={'abc',1,'cba'}
    disp(i)
    end
    'abc'
    [1]
    'cba'
```

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```
c={'abc', 1, 'cba'}
? c(1)
? c(2)
? c(3)
```

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3. Pandigital Formula

```
year = 2017
o=['+','-','*','/',''] # or o='+-*/_'
for o1 in o:
   for o2 in o:
      for o3 in o:
         for o4 in o:
            for o5 in o:
               for o6 in o:
                  for o7 in o:
                     for o8 in o:
                        s=('1'+ o1 +
                           '2'+ o2 +
                           '3'+ o3 +
                           '4'+ o4 +
                           '5'+ o5 +
                           '6'+ o6 +
                           '7'+ o7 +
                           '8'+ o8 + '9')
                        if eval(s)==year:
                           print(s + '=', year, sep='')
print('Done!')
```

In-Class Exercise


```
['a','b'] ⇔ {'a','b'}
```

```
for o1 in o:
⇕
for o1=o … end
```

```
'a' + 'b' ⇔ ['a','b']
```

```
eval(s) ⇔ eval(s)
```

```
print('a', 2, sep='')
⇕
disp(['a', num2str(2)])
```

Homework Q3

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Loop Controls (2): `while` loop

8.2. The `while` statement

The `while` statement is used for repeated execution as long as an expression is true:

```
while_stmt ::=  "while" expression ":" suite
                ["else" ":" suite]
```

while

`while` loop to repeat when condition is true

Syntax

```
while expression
    statements
end
```

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MATLAB `for` loop and `while` loop do not have the "`else`" clause.

`break` and `continue`

https://www.mathworks.com/help/matlab/ref/break.html

https://www.mathworks.com/help/matlab/ref/continue.html

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continue

Pass control to next iteration of `for` or `while` loop

Syntax

```
continue
```

break

Terminate execution of for or while loop

Syntax

```
break
```

(Dr. Z: It is much easier than Python.)

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MATLAB, as all other programming languages, allows “recursive function definition”.

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4. Sudoku Solver

```
def same_row(i,j): return (i//9)==(j//9)
def same_col(i,j): return (i%9)==(j%9)
def same_block(i,j): return ((i//27)==(j//27)) and (((i%9)//3)==((j%9)//3))
def r(s):
    i=s.find('0')
    if i==-1:
        print(s)
    else:
        excluded_numbers={s[j] for j in range(81) if same_row(i,j)
                                                  or same_col(i,j)
                                                  or same_block(i,j)}
        for m in set('123456789')-excluded_numbers:
            r(s[:i]+m+s[i+1:])

s=('390060807' + '020030050' + '000005096' +
   '900502400' + '000000000' + '003907002' +
   '810600000' + '030050080' + '502090043')

print(s)
print(r(s))
```

Homework Q4

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find, indexing, range(81) ⇨ i,j∈{0,1,…,80} ⇔ strfind, 1:81, indexing ⇨ i,j∈{1,2,…,81}

same_row(i,j), same_col(i,j), same_block(i,j)
⇳
same_row(i-1,j-1), same_col(i-1,j-1), same_block(i-1,j-1)

function def ⇔ M-File function

i=s.find('0') ⇔ c=strfind(s,'0') and if not empty use i=c(1)

r==-1 ⇔ isempty(r)

if…else… ⇔ if…else…end

set comprehension ⇔ loop + add item + set method unique

set difference ⇔ set method setdiff

string concatenation using + ⇔ string concatenation using []

and, or ⇔ &&, ||

a%b, a//b ⇔ mod(a,b), floor(a/b)

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class

A.m

```
classdef A
    properties
        value
    end
    methods
        function obj=A(val)
            obj.value=val;
        end
        function r=roundOff(obj)
            r=round(obj.value, 2);
        end
    end
end
```

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Command Window

```
>> a=A(pi)
a =
  A with properties:

    value: 3.1416
>> a.roundOff()
ans =
    3.1400
```

All properties (corresponding to Python's class attributes and instance attributes) have to be class properties. They are not "shared". We cannot add extra properties to an "instance" dynamically. (hahaha…You know what it means. Right?)

```
In [1]: import math
        class A:
            value=1
            def __init__(self, val):
                self.value=val
            def roundOff(self):
                return round(self.value, 2)

        a=A(math.pi)
        a.roundOff()
```

```
Out[1]: 3.14
```

In-Class Exercise

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MATLAB does not have class objects as Python's. The class definition is used to define instance properties/methods.

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QF666
Programming and Computational Finance

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5. European Call Option Object

Convert the following Python code to MATLAB. (Class to Class, Method to Method, etc.)

Homework Q5

```
from math import log, sqrt, exp
from scipy import stats
class call_option(object):
    def __init__(self, S0, K, T, r, sigma):
        self.S0 = float(S0)
        self.K = K
        self.T = T
        self.r = r
        self.sigma = sigma
    def value(self):
        d1 = ((log(self.S0 / self.K) + (self.r + 0.5 * self.sigma ** 2) * self.T)
            / (self.sigma * sqrt(self.T)))
        d2 = ((log(self.S0 / self.K) + (self.r - 0.5 * self.sigma ** 2) * self.T)
            / (self.sigma * sqrt(self.T)))
        value = (self.S0 * stats.norm.cdf(d1, 0.0, 1.0)
            - self.K * exp(-self.r * self.T) * stats.norm.cdf(d2, 0.0, 1.0))
        return value
    def vega(self):
        d1 = ((log(self.S0 / self.K) + (self.r + 0.5 * self.sigma ** 2) * self.T)
            / (self.sigma * sqrt(self.T)))
        vega = self.S0 * stats.norm.cdf(d1, 0.0, 1.0) * sqrt(self.T)
        return vega
    def imp_vol(self, C0, sigma_est=0.2, it=100):
        option = call_option(self.S0, self.K, self.T, self.r, sigma_est)
        for i in range(it):
            option.sigma -= (option.value() - C0) / option.vega()
        return option.sigma

o=call_option(100., 105., 1.0, 0.05, 0.2)
print(o.value())
print(o.vega())
print(o.imp_vol(C0=value))
```

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Some Hints:

`log, **, sqrt` ⇨ `log, ^, sqrt`

`stats.norm.cdfqrt` ⇨ `normcdf`

`data/function attributes` ⇨ `properties, methods`

`self` ⇨ `obj`

`__init__()` ⇨ `obj=ClassName()`

Return Values ⇨ Return Values

Line Joining ⇨ Line Joining

Default Value ⇨ Default Value

Code Block Indentation ⇨ "**end**"

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https://www.mathworks.com/help/matlab/object-oriented-programming.html

Object-Oriented Design with MATLAB
Object-oriented concepts related to MATLAB programming.

Class Syntax Guide
Syntax for defining MATLAB classes and class components

Sample Class Implementations
MATLAB classes showing programming patterns and techniques

Class Definition
Implementation of MATLAB classes

Class Customization
Customize behavior of object indexing, array formation, display, and the save and load operations.

Class Editing
Edit and debug class definitions

Class Introspection and Metadata
Get detailed information about classes from class metadata

System Objects
Model dynamic systems and process streamed data using objects in system toolboxes

Do Not Test

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Operator Overloading

https://www.mathworks.com/help/matlab/matlab_oop/implementing-operators-for-your-class.html

Operation	Method to Define	Description
a + b	plus(a,b)	Binary addition
a - b	minus(a,b)	Binary subtraction
-a	uminus(a)	Unary minus
+a	uplus(a)	Unary plus
a.*b	times(a,b)	Element-wise multiplication
a*b	mtimes(a,b)	Matrix multiplication
a./b	rdivide(a,b)	Right element-wise division
a.\b	ldivide(a,b)	Left element-wise division
a/b	mrdivide(a,b)	Matrix right division
a\b	mldivide(a,b)	Matrix left division
a.^b	power(a,b)	Element-wise power
a^b	mpower(a,b)	Matrix power
a < b	lt(a,b)	Less than
a > b	gt(a,b)	Greater than
a <= b	le(a,b)	Less than or equal to
a >= b	ge(a,b)	Greater than or equal to
a ~= b	ne(a,b)	Not equal to
a == b	eq(a,b)	Equality

Method to Define

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a & b	and(a,b)	Logical AND
a | b	or(a,b)	Logical OR
~a	not(a)	Logical NOT
a:d:b a:b	colon(a,d,b) colon(a,b)	Colon operator
a'	ctranspose(a)	Complex conjugate transpose
a.'	transpose(a)	Matrix transpose
[a b]	horzcat(a,b,...)	Horizontal concatenation
[a; b]	vertcat(a,b,...)	Vertical concatenation
a(s1,s2,...sn)	subsref(a,s)	Subscripted reference
a(s1,...,sn) = b	subsasgn(a,s,b)	Subscripted assignment
b(a)	subsindex(a)	Subscript index

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- ✓ Base Classes

https://fr.mathworks.com/help/matlab/matlab_oop/subclass-syntax.html

- ✓ Private Attributes

https://www.mathworks.com/help/matlab/matlab_oop/property-attributes.html

- ✓ Static Methods

https://www.mathworks.com/help/matlab/matlab_oop/method-attributes.html

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MATLAB Error Handling

Error Handling

R2018a

Generate, catch, and respond to warnings and errors

MATLAB Language Syntax

`try, catch`	Execute statements and catch resulting errors

Functions

`error`	Throw error and display message
`warning`	Display warning message
`lastwarn`	Last warning message
`assert`	Throw error if condition false
`onCleanup`	Cleanup tasks upon function c

try, catch

R2018a

Execute statements and catch resulting errors

collapse all in page

Syntax

```
try
   statements
catch exception
   statements
end
```

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Do Not Test

Command Window

```
>> 1/0
ans =
    Inf
```

```
>>> 1/0
Traceback (most recent call last):
  File "<stdin>", line 1, in <module>
ZeroDivisionError: division by zero
```

In MATLAB, `1/0` will not raise any erro.

Command Window

```
>> A=[1 2 3];
>> B=[4 5 6];
>> try
       C=A*B;
   catch
       disp('Error');
   end
Error
>> A*B
Error using  *
Inner matrix dimensions must agree.
```

```
>> A=magic(3)
A =
     8     1     6
     3     5     7
     4     9     2
>> try
       C=A(4,1);
   catch
       disp('Error');
   end
Error
>> A(4,1)
Index exceeds matrix dimensions.
```

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end

Next, ...

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