MA473 – Computational Finance Laboratory
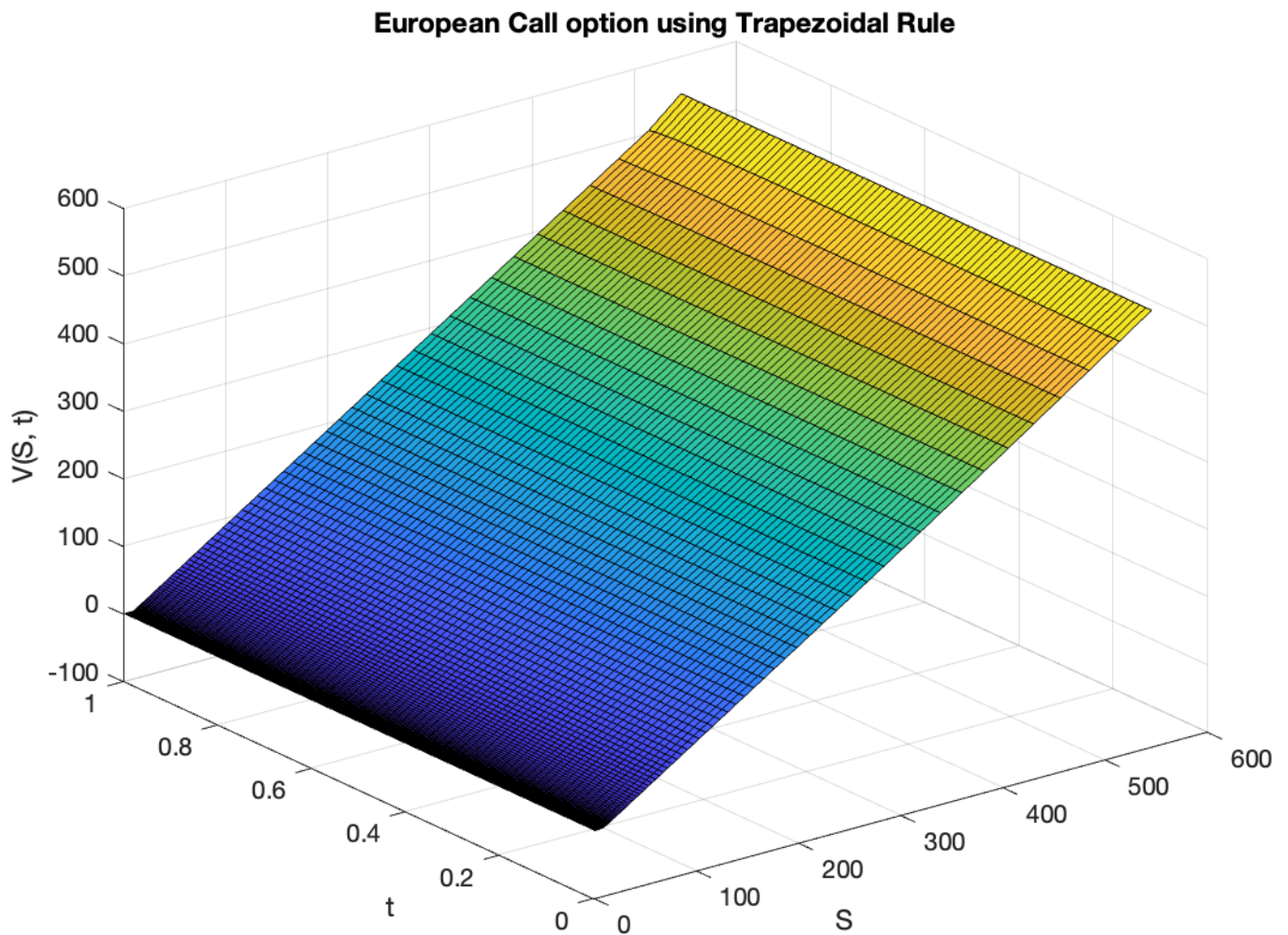
Lab – 08

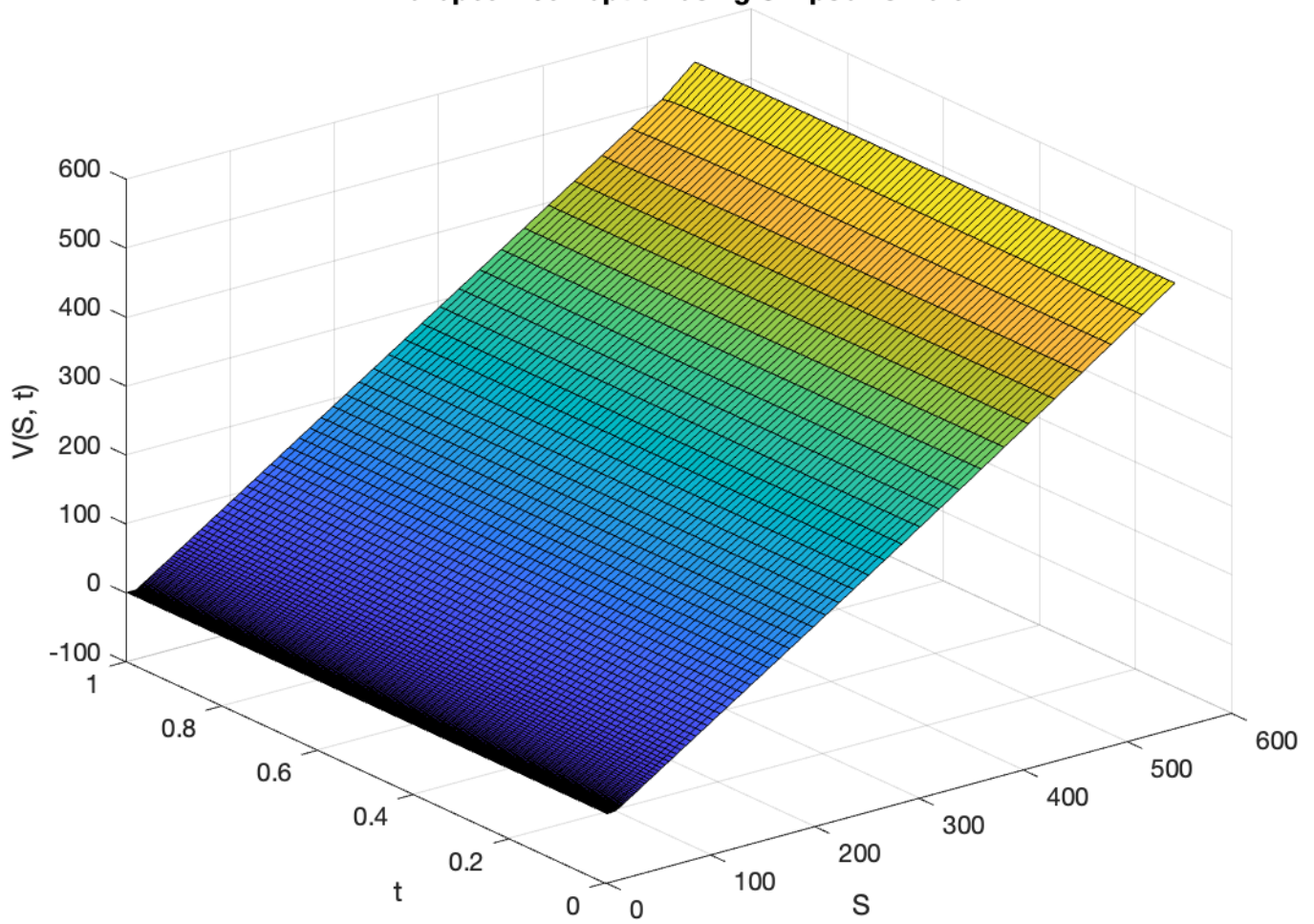Dipanshu Goyal   210123083
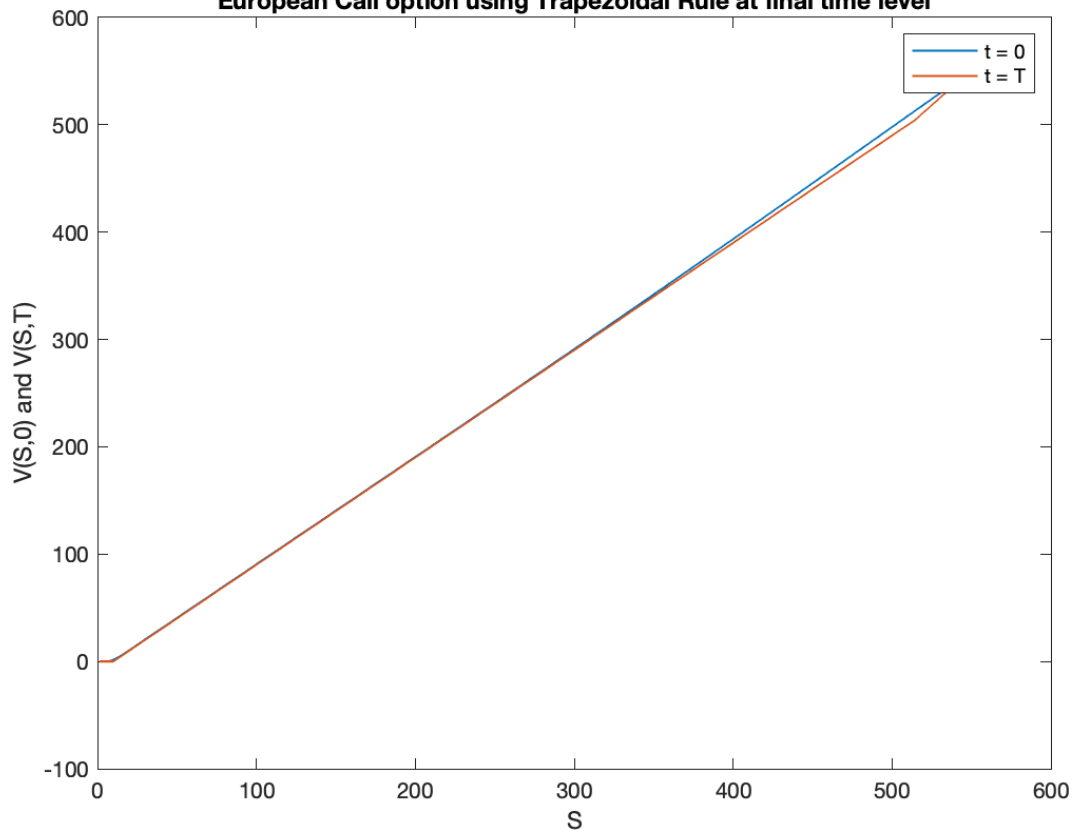

Question – 1

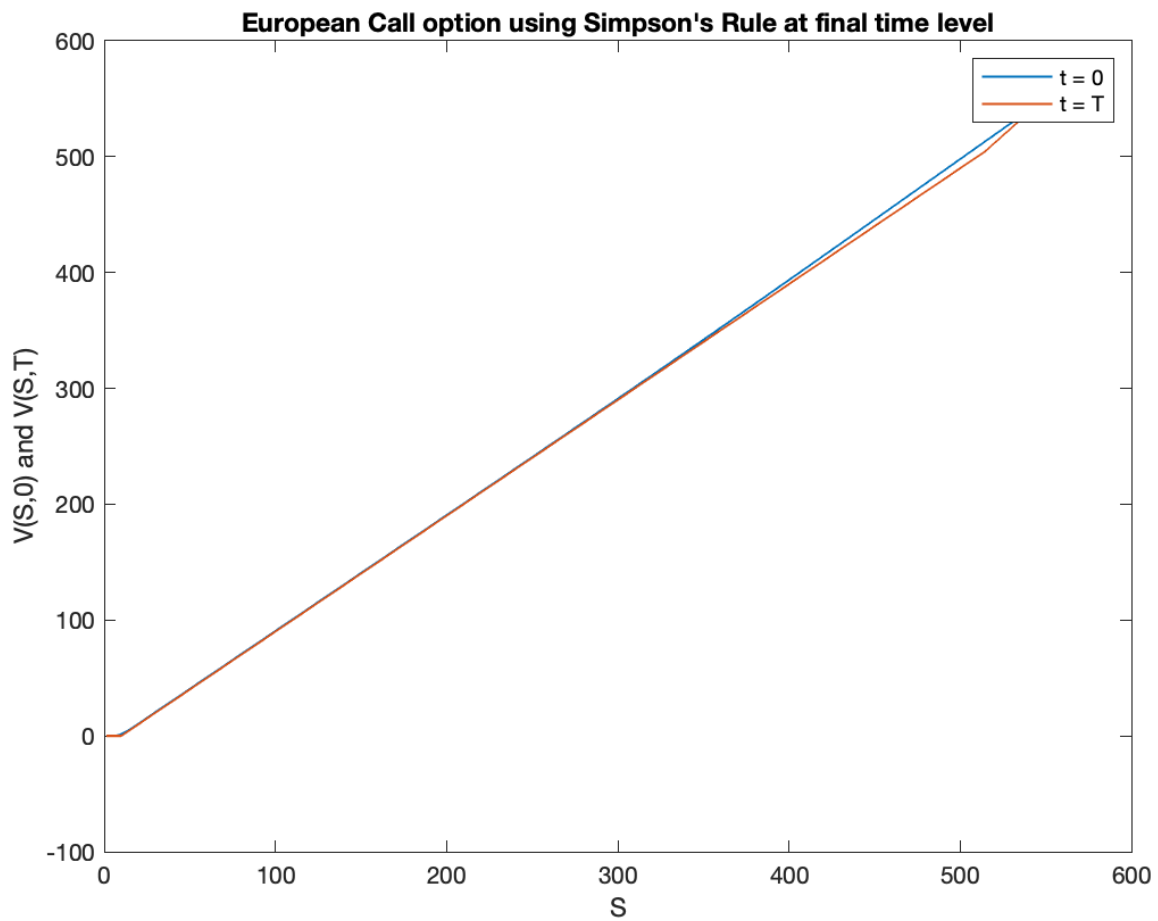The surface plot and final time plots for trapezoidal and simpson's quadrature are given below :-

European Call option using Trapezoidal Rule

European Call option using Simpson's Rule

European Call option using Trapezoidal Rule at final time level

European Call option using Simpson's Rule at final time level

By using the Double-meshing technique, the L2 norm errors are calculated and order of convergence plot thus formed are shown below for both the methods :-

Convergence Analysis For Trapezoidal quadrature.

Convergence Analysis For Simpsons quadrature.

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