



An Introduction to Financial Option Valuation: Mathematics, Stochastics and Computation (Paperback)

By Desmond J. Higham

CAMBRIDGE UNIVERSITY PRESS, United Kingdom, 2015. Paperback. Condition: New. Language: English. Brand new Book. This is a lively textbook providing a solid introduction to financial option valuation for undergraduate students armed with a working knowledge of a first year calculus. Written in a series of short chapters, its self-contained treatment gives equal weight to applied mathematics, stochastics and computational algorithms. No prior background in probability, statistics or numerical analysis is required. Detailed derivations of both the basic asset price model and the Black-Scholes equation are provided along with a presentation of appropriate computational techniques including binomial, finite differences and in particular, variance reduction techniques for the Monte Carlo method. Each chapter comes complete with accompanying stand-alone MATLAB code listing to illustrate a key idea. Furthermore, the author has made heavy use of figures and examples, and has included computations based on real stock market data.



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Reviews

It is one of the most popular publications. It really is written in easy words and not difficult to understand. You are going to like how the author writes this book.

-- Prof. Evans Balistreri DDS

Completely essential go through book. This is for all who state there had not been a worthy of reading through. It is extremely difficult to leave it before concluding, once you begin to read the book.

-- Lydia Legros