Quiz 9

**Which of the following concerning the Explicit Euler method is true?**

The Crank Nicolson method is unconditionally stable and second-order accurate.

Oscillations occur with EE if the mesh time step is not of the same order as the square of the mesh size in space.

EE is first order accurate in the time direction.

**Which of the following concerning FDM is true?**

There are no constraints on the step sizes in space and time with implicit FDM.

Divided differences can have first-order or second-order accuracy.

They replace partial derivatives by divided difference approximations.

**Which of the following concerning the Binomial Method Carlo method is true?**

BM is less flexible than FDM.

The Binomial Method (BM) can be used to price American options.

BM can give 'zigzag' and oscillatory solutions.