Numerical Methods In Finance And Economics

Advanced Mathematical Methods for Finance
Finite Difference Methods in Financial Engineering
Numerical Methods in Finance
Mathematical Modeling And Computation In Finance: With Exercises And Python And Matlab Computer Codes
Numerical Solution of Stochastic Differential Equations with Jumps in Finance
A MATLAB-Based Introduction
Novel Methods in Computational Finance
A MATLAB-Based Introduction
Numerical Methods in Finance
Numerical Methods and Applications (1994)
Quantitative Methods in Derivatives Pricing
Numerical Methods in Photonics
A Benchmark Approach to Quantitative Finance
Numerical Methods in Finance with C++
Computational Finance
Implementing Models in Quantitative Finance: Methods and Cases
Derivative Securities and Difference Methods
Applications in Finance and Investment
Handbook of Computational and Numerical Methods in Finance

Numerical Methods for Differential Equations
Numerical Methods in Finance
Numerical Methods in Computational Finance
Linear Algebra and Function Minimisation
An Introduction to Computational Finance
A Partial Differential Equation Approach
Mathematical Modelling and Numerical Methods in Finance
Bordeaux, June 2010
Introduction to Numerical Methods in Finance and Economics
Numerical Methods and Optimization in Finance
An Introduction to Computational Finance
Numerical Methods for Structured Markov Chains
Topics in Numerical Methods for Finance
Computational Methods for Quantitative Finance
A First Course in Numerical Methods
Handbook of Sinc Numerical Methods
A Computational Approach
Numerical Methods in Finance and Economics
Java Methods for Financial Engineering
Finite Element Methods for Derivative Pricing

Advanced Mathematical Methods for Finance John Wiley & Sons

This second edition of Compact Numerical Methods for Computers presents reliable yet compact algorithms for computational problems. As in the previous edition, the author considers specific mathematical problems of wide applicability, develops approaches to a solution and the consequent algorithm, and provides the program steps. He emphasizes useful applicable methods from various scientific research fields, ranging from mathematical physics to commodity production modeling. While the ubiquitous personal computer is the particular focus, the methods have been implemented on computers as small as a programmable pocket calculator and as large as a highly parallel supercomputer. New to the Second Edition Presents program steps as Turbo Pascal code Includes more algorithmic examples Contains an extended bibliography The accompanying software (available by coupon at no charge) includes not only the algorithm source codes, but also driver programs, example data, and several utility codes to help in the software engineering of end-user programs. The codes are designed for rapid implementation and reliable use in a wide variety of computing environments. Scientists, statisticians, engineers, and economists who prepare/modify programs for use in their work will find this resource invaluable. Moreover, since little previous training in numerical analysis is required, the book can also be used as a supplementary text for courses on numerical methods and mathematical software.

Finite Difference Methods in Financial Engineering CRC Press This book is mainly devoted to finite difference numerical methods for solving partial differential equations (PDEs) models of pricing a wide variety of financial derivative securities. With this objective, the book is divided into two main parts. In the first part, after an introduction concerning the basics on derivative securities, the authors explain how to establish the adequate PDE boundary value problems for different sets of derivative products (vanilla and exotic options, and interest rate derivatives). For many option problems, the analytic solutions are also derived with details. The second part is devoted to explaining and analyzing the application of finite differences techniques to the financial models stated in the first part of the book. For this, the authors recall some basics on finite difference methods, initial boundary value problems, and (having in view financial products with early exercise feature) linear complementarity and free boundary problems. In each chapter, the techniques related to these mathematical and numerical subjects are applied to a wide variety of financial products. This is a textbook for graduate students following a mathematical finance program as well as a valuable reference for those researchers working in numerical methods in financial derivatives. For this new edition, the book has been updated throughout with many new problems added. More details about numerical methods for some options, for example, Asian options with discrete sampling, are provided and the proof of solution-uniqueness of derivative security problems and the complete stability analysis of numerical methods for two-dimensional problems are added. Review of first edition: “...the book is highly well designed and structured as a textbook for graduate students following a mathematical finance program, which includes Black-Scholes dynamic hedging methodology to price financial derivatives. Also, it is a very valuable reference for those researchers working in numerical methods in financial derivatives, either with a more financial or mathematical background." -- MATHEMATICAL REVIEWS

Numerical Methods in Finance Springer Science & Business Media

Computationally-intensive tools play an increasingly important role in financial decisions. Many financial problems-ranging from asset allocation to risk management and from option pricing to model calibration-can be efficiently handled using modern computational techniques. Numerical Methods and Optimization in Finance presents such computational techniques, with an emphasis on simulation and optimization, particularly so-called heuristics. This book treats quantitative analysis as an essentially computational discipline in which applications are put into software form and tested empirically. This revised edition includes two new chapters, a self-contained tutorial on implementing and using heuristics, and an explanation of software used for testing portfolio-selection models. Postgraduate students, researchers in programs on quantitative and computational finance, and practitioners in banks and other financial companies can benefit from this second edition of Numerical Methods and Optimization in Finance. Introduces numerical methods to readers with economics backgrounds Emphasizes core simulation and optimization problems Includes MATLAB and R code for all applications, with sample code in the text and freely available for download *Mathematical Modeling And Computation In Finance: With Exercises And Python And Matlab Computer Codes* Academic Press

This book presents innovations in the mathematical foundations of financial analysis and numerical methods for finance and applications to the modeling of risk. The topics selected include measures of risk, credit contagion, insider trading, information in finance, stochastic control and its applications to portfolio choices and liquidation, models of liquidity, pricing, and hedging. The models presented are based on the use of Brownian motion, Lévy processes and jump diffusions. Moreover, fractional Brownian motion and ambit processes are also introduced at various levels. The chosen blend of topics gives an overview of the frontiers of mathematics for finance. New results, new methods and new models are all introduced in different forms according to the subject. Additionally, the existing literature on the topic is reviewed. The diversity of the topics makes the book suitable for graduate students, researchers and practitioners in the areas of financial modeling and quantitative finance. The chapters will also be of interest to experts in the financial market interested in new methods and products. This volume presents the results of the European ESF research networking program Advanced Mathematical Methods for Finance.

Numerical Solution of Stochastic Differential Equations with Jumps

in Finance Springer Science & Business Media
Intersecting two large research areas - numerical analysis and applied probability/queuing theory - this book is a self-contained introduction to the numerical solution of structured Markov chains, which have a wide applicability in queuing theory and stochastic modeling and include M/G/1 and GI/M/1-type Markov chain, quasi-birth-death processes, non-skip free queues and tree-like stochastic processes. Written for applied probabilists and numerical analysts, but accessible toengineers and scientists working on telecommunications and evaluation of computer systems performances, it provides a systematic treatment of the theory and algorithms for important families of structured Markov chains and a thorough overview of the current literature.The book, consisting of nine Chapters, is presented in three parts. Part 1 covers a basic description of the fundamental concepts related to Markov chains, a systematic treatment of the structure matrix tools, including finite Toeplitz matrices, displacement operators, FFT, and the infinite block Toeplitz matrices, their relationship with matrix power series and the fundamental problems of solving matrix equations and computing canonical factorizations. Part 2 deals with the

description andanalysis of structure Markov chains and includes M/G/1, quasi-birth-death processes, non-skip-free queues and tree-like processes. Part 3 covers solution algorithms where new convergence and applicability results are proved. Each chapter ends with bibliographic notes for further reading, and the bookends with an appendix collecting the main general concepts and results used in the book, a list of the main annotations and algorithms used in the book, and an extensive index.

A MATLAB-Based Introduction Oxford University Press on Demand

In financial and actuarial modeling and other areas of application, stochastic differential equations with jumps have been employed to describe the dynamics of various state variables. The numerical solution of such equations is more complex than that of those only driven by Wiener processes, described in Kloeden & Platen: Numerical Solution of Stochastic Differential Equations (1992). The present monograph builds on the above-mentioned work and provides an introduction to stochastic differential equations with jumps, in both theory and application, emphasizing the numerical methods needed to solve such equations. It presents many new results on higher-order methods for scenario and Monte Carlo simulation,

including implicit, predictor corrector, extrapolation, Markov chain and variance reduction methods, stressing the importance of their numerical stability. Furthermore, it includes chapters on exact simulation, estimation and filtering. Besides serving as a basic text on quantitative methods, it offers ready access to a large number of potential research problems in an area that is widely applicable and rapidly expanding. Finance is chosen as the area of application because much of the recent research on stochastic numerical methods has been driven by challenges in quantitative finance. Moreover, the volume introduces readers to the modern benchmark approach that provides a general framework for modeling in finance and insurance beyond the standard risk-neutral approach. It requires undergraduate background in mathematical or quantitative methods, is accessible to a broad readership, including those who are only seeking numerical recipes, and includes exercises that help the reader develop a deeper understanding of the underlying mathematics.
Springer Science & Business Media
The world of quantitative finance (QF) is one of the fastest growing areas of research and its practical applications to derivatives pricing problem. Since the

discovery of the famous Black-Scholes equation in the 1970's we have seen a surge in the number of models for a wide range of products such as plain and exotic options, interest rate derivatives, real options and many others. Gone are the days when it was possible to price these derivatives analytically. For most problems we must resort to some kind of approximate method. In this book we employ partial differential equations (PDE) to describe a range of one-factor and multi-factor derivatives products such as plain European and American options, multi-asset options, Asian options, interest rate options and real options. PDE techniques allow us to create a framework for modeling complex and interesting derivatives products. Having defined the PDE problem we then approximate it using the Finite Difference Method (FDM). This method has been used for many application areas such as fluid dynamics, heat transfer, semiconductor simulation and astrophysics, to name just a few. In this book we apply the same techniques to pricing real-life derivative products. We use both traditional (or well-known) methods as well as a number of advanced schemes that are making their way into the QF literature: Crank-Nicolson, exponentially fitted and higher-order schemes for one-factor and multi-factor options Early exercise features and approximation using front-fixing, penalty and variational methods Modelling stochastic volatility models using Splitting methods Critique of ADI and Crank-Nicolson schemes; when they work and when they don't work Modelling jumps using Partial Integro Differential Equations (PIDE) Free and moving boundary value problems in QF Included with the book is a CD containing information on how to set up FDM algorithms, how to map these algorithms to C++ as well as several working programs for one-factor and two-factor models. We also provide source code so that you can customize the applications to suit your own needs.

Novel Methods in Computational Finance Cambridge University Press Computationally-intensive tools play an increasingly important role in financial decisions. Many financial problems—ranging from asset allocation to risk management and from option pricing to model calibration—can be efficiently handled using modern computational techniques. Numerical Methods and Optimization in Finance presents such computational techniques, with an emphasis on simulation and optimization, particularly so-called heuristics. This book treats quantitative analysis as an essentially computational discipline in which applications are put into software form and tested empirically. This revised edition includes two new chapters, a self-contained tutorial on implementing and using heuristics, and an explanation of software used for testing portfolio-selection models. Postgraduate students, researchers in programs on quantitative and computational finance, and practitioners in banks and other financial companies can benefit from this second edition of Numerical Methods and Optimization in Finance. Introduces numerical methods to readers with economics backgrounds Emphasizes core simulation and optimization problems Includes MATLAB and R code for all applications, with sample code in the text and freely available for download

A MATLAB-Based Introduction John Wiley & Sons

Simulation and modeling using numerical methods is one of the key instruments in any scientific work. In the field of photonics, a wide range of numerical methods are used for studying both fundamental optics and applications such as design, development, and optimization of photonic components. Modeling is key for developing improved photonic devices and reducing development time and cost.

Choosing the appropriate computational method for a photonics modeling problem requires a clear understanding of the pros and cons of the available numerical methods. Numerical Methods in Photonics presents six of the most frequently used methods: FDTD, FDFD, 1+1D nonlinear propagation, modal method, Green’s function, and FEM. After an introductory chapter outlining the basics of Maxwell’s equations, the book includes self-contained chapters that focus on each of the methods. Each method is accompanied by a review of the mathematical principles in which it is based, along with sample scripts, illustrative examples of characteristic problem solving, and exercises. MATLAB® is used throughout the text. This book provides a solid basis to practice writing your own codes. The theoretical formulation is complemented by sets of exercises, which allow you to grasp the essence of the modeling tools.

Numerical Methods in Finance Springer Science & Business Media

This book discusses the interplay of stochastics (applied probability theory) and numerical analysis in the field of quantitative finance. The stochastic models, numerical valuation techniques, computational aspects, financial products, and risk management applications presented will enable readers to progress in the challenging field of computational finance.When the behavior of financial market participants changes, the corresponding stochastic mathematical models describing the prices may also change. Financial regulation may play a role in such changes too. The book thus presents several models for stock prices, interest rates as well as foreign-exchange rates, with increasing complexity across the chapters. As is said in the industry, 'do not fall in love with your favorite model.' The book covers equity models before moving to short-rate and other interest rate models. We cast these models for interest rate into the Heath-Jarrow-Morton framework, show relations between the different models, and explain a few interest rate products and their pricing.The chapters are accompanied by exercises. Students can access solutions to selected exercises, while complete solutions are made available to instructors. The MATLAB and Python computer codes used for most tables and figures in the book are made available for both print and e-book users. This book will be useful for people working in the financial industry, for those aiming to work there one day, and for anyone interested in quantitative finance. The topics that are discussed are relevant for MSc and PhD

students, academic researchers, and for quants in the financial industry.
Numerical Methods and Applications (1994) MIT Press
Accompanying CD-ROM contains ... "working computer code, demonstration applications, and also PDF versions of several research articles that are referred to in the book." -- d.j.
Quantitative Methods in Derivatives Pricing Elsevier
Deals with corporate finance and portfolio problems
Numerical Methods in Photonics SIAM
Handbook of Sinc Numerical Methods presents an ideal road map for handling general numeric problems. Reflecting the author's advances with Sinc since 1995, the text most notably provides a detailed exposition of the Sinc separation of variables method for numerically solving the full range of partial differential equations (PDEs) of interest to sci
A Benchmark Approach to Quantitative Finance CRC Press
Driven by concrete computational problems in quantitative finance, this book provides aspiring quant developers with the numerical techniques and programming skills they need. The authors start from scratch, so the reader does not need any previous experience of C++. Beginning with straightforward option pricing on binomial trees, the book gradually progresses

towards more advanced topics, including nonlinear solvers, Monte Carlo techniques for path-dependent derivative securities, finite difference methods for partial differential equations, and American option pricing by solving a linear complementarity problem. Further material, including solutions to all exercises and C++ code, is available online. The book is ideal preparation for work as an entry-level quant programmer and it gives readers the confidence to progress to more advanced skill sets involving C++ design patterns as applied in finance. Numerical Methods in Finance with C++ Springer Science & Business Media

The subject of numerical methods in finance has recently emerged as a new discipline at the intersection of probability theory, finance, and numerical analysis. The methods employed bridge the gap between financial theory and computational practice, and provide solutions for complex problems that are difficult to solve by traditional analytical methods. Although numerical methods in finance have been studied intensively in recent years, many theoretical and practical financial aspects have yet to be explored. This volume presents current research and survey articles focusing on various numerical methods in finance.

The book is designed for the academic community and will also serve professional investors.

Computational Finance

Academic Press

As today's financial products have become more complex, quantitative analysts, financial engineers, and others in the financial industry now require robust techniques for numerical analysis. Covering advanced quantitative techniques, Computational Methods in Finance explains how to solve complex functional equations through numerical methods. The first part of the book describes pricing methods for numerous derivatives under a variety of models. The book reviews common processes for modeling assets in different markets. It then examines many computational approaches for pricing derivatives. These include transform techniques, such as the fast Fourier transform, the fractional fast Fourier transform, the Fourier-cosine method, and saddlepoint method; the finite difference method for solving PDEs in the diffusion framework and PIDEs in the pure jump framework; and Monte Carlo simulation. The next part focuses on essential steps in real-world derivative pricing. The author discusses how to calibrate model parameters so that model prices are compatible with market prices. He also covers various filtering techniques and their implementations and gives examples of filtering and parameter estimation. Developed from the author's courses at Columbia University and the Courant Institute of New York University, this self-contained text is designed for graduate students in financial engineering and mathematical finance as well as practitioners in the financial industry. It will help readers accurately price a vast array of derivatives.

Implementing Models in Quantitative Finance: Methods and Cases Springer Science & Business Media

This book presents new original numerical methods that have been developed to the stage of concrete algorithms and successfully applied to practical problems in mathematical physics. The book discusses new methods for solving stiff systems of ordinary differential equations, stiff elliptic problems encountered in problems of composite material mechanics, Navier-Stokes systems, and nonstationary problems with discontinuous data. These methods allow natural paralleling of algorithms and will find many applications in vector and parallel computers.

Derivative Securities and Difference Methods CRC Press

Many mathematical assumptions on which classical derivative pricing methods are based have come under scrutiny in recent years. The present volume offers an introduction to deterministic algorithms for the fast and accurate pricing of derivative contracts in modern finance. This unified, non-Monte-Carlo computational pricing methodology is capable of handling rather general classes of stochastic market models with jumps, including, in particular, all currently used Lévy and stochastic volatility models. It allows us e.g. to quantify model risk in computed prices on plain vanilla, as well as on various types of exotic contracts. The algorithms are developed in classical Black-Scholes markets, and then extended to market models based on multiscale stochastic volatility, to Lévy, additive and certain classes of Feller processes. This book is intended for graduate students and researchers, as well as for practitioners in the fields of quantitative finance and applied and computational mathematics with a solid background in mathematics, statistics or economics.

Applications in Finance and Investment Springer Science & Business Media
Offers students a practical knowledge of modern techniques in scientific computing.

Handbook of Computational and Numerical Methods in Finance Springer
GERAD celebrates this year its 25th anniversary. The Center was created in 1980 by a small group

of professors and researchers of HEC Montreal, McGill University and of the Ecole Polytechnique de Montreal. GERAD's activities achieved sufficient scope to justify its conversion in June 1988 into a Joint Research Centre of HEC Montreal, the Ecole Polytechnique de Montreal and McGill University. In 1996, the U- versite du Quebec a Montreal joined these three institutions. GERAD has fifty members (professors), more than twenty research associates and post doctoral students and more than two hundreds master and Ph.D. students. GERAD is a multi-university center and a vital forum for the devel- ment of operations research. Its mission is defined around the following four complementarily objectives: • The original and expert contribution to all research fields in GERAD's area of expertise; • The dissemination of research results in the best scientific outlets as well as in the society in general; • The training of graduate students and post doctoral researchers; • The contribution to the economic community by solving important problems and providing transferable tools.

Related with Numerical Methods In Finance And Economics:

• Sphygmomanometer Reading A Blood Pressure

Gauge Worksheet : [click here]