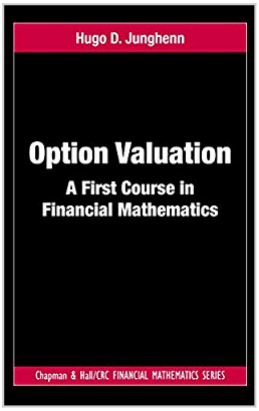

Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series)

By Hugo D. Junghenn

Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn

Option Valuation: A First Course in Financial Mathematics provides a straightforward introduction to the mathematics and models used in the valuation of financial derivatives. It examines the principles of option pricing in detail via standard binomial and stochastic calculus models. Developing the requisite mathematical background as needed, the text presents an introduction to probability theory and stochastic calculus suitable for undergraduate students in mathematics, economics, and finance.

The first nine chapters of the book describe option valuation techniques in discrete time, focusing on the binomial model. The author shows how the binomial model offers a practical method for pricing options using relatively elementary mathematical tools. The binomial model also enables a clear, concrete exposition of fundamental principles of finance, such as arbitrage and hedging, without the distraction of complex mathematical constructs. The remaining chapters illustrate the theory in continuous time, with an emphasis on the more mathematically sophisticated Black-Scholes-Merton model.

Largely self-contained, this classroom-tested text offers a sound introduction to applied probability through a mathematical finance perspective. Numerous examples and exercises help students gain expertise with financial calculus methods and increase their general mathematical sophistication. The exercises range from routine applications to spreadsheet projects to the pricing of a variety

of complex financial instruments. Hints and solutions to odd-numbered problems are given in an appendix and a full solutions manual is available for qualifying instructors.

Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series)

By Hugo D. Junghenn

Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn

Option Valuation: A First Course in Financial Mathematics provides a straightforward introduction to the mathematics and models used in the valuation of financial derivatives. It examines the principles of option pricing in detail via standard binomial and stochastic calculus models. Developing the requisite mathematical background as needed, the text presents an introduction to probability theory and stochastic calculus suitable for undergraduate students in mathematics, economics, and finance.

The first nine chapters of the book describe option valuation techniques in discrete time, focusing on the binomial model. The author shows how the binomial model offers a practical method for pricing options using relatively elementary mathematical tools. The binomial model also enables a clear, concrete exposition of fundamental principles of finance, such as arbitrage and hedging, without the distraction of complex mathematical constructs. The remaining chapters illustrate the theory in continuous time, with an emphasis on the more mathematically sophisticated Black-Scholes-Merton model.

Largely self-contained, this classroom-tested text offers a sound introduction to applied probability through a mathematical finance perspective. Numerous examples and exercises help students gain expertise with financial calculus methods and increase their general mathematical sophistication. The exercises range from routine applications to spreadsheet projects to the pricing of a variety of complex financial instruments. Hints and solutions to odd-numbered problems are given in an appendix and a full solutions manual is available for qualifying instructors.

Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn Bibliography

- Sales Rank: #838786 in eBooks
- Published on: 2011-11-23
- Released on: 2011-11-23
- Format: Kindle eBook

Editorial Review

Review

"…a suitable text for an advanced undergraduate or graduate-level course in option valuation via the binomial model and the Black–Scholes–Merton model."
?*International Statistical Review*, 2013

"The text provides an introduction to classical material of mathematical finance, i.e. the notions of arbitrage, replication, and option pricing in the context of the discrete-time Cox-Ross-Rubinstein and the continuous-time Black-Scholes model, respectively. The book sticks out by not assuming any background in stochastics. All necessary concepts of probability theory, martingales, and Itô calculus are provided …"
?Jan Kallsen, *Zentralblatt MATH* 1247

About the Author

Hugo D. Junghenn is a professor of mathematics at the George Washington University. His research interests include functional analysis and semigroups.

Users Review

From reader reviews:

Eric Beasley:

The book Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) can give more knowledge and information about everything you want. Exactly why must we leave a good thing like a book Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series)? A few of you have a different opinion about book. But one aim that will book can give many details for us. It is absolutely correct. Right now, try to closer together with your book. Knowledge or info that you take for that, you are able to give for each other; you are able to share all of these. Book Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) has simple shape however, you know: it has great and big function for you. You can search the enormous world by available and read a guide. So it is very wonderful.

Many Shirley:

In this 21st century, people become competitive in each and every way. By being competitive currently, people have do something to make them survives, being in the middle of the crowded place and notice simply by surrounding. One thing that at times many people have underestimated the item for a while is reading. Sure, by reading a publication your ability to survive increase then having chance to stand than other is high. In your case who want to start reading any book, we give you this Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) book as basic and daily reading book. Why, because this book is more than just a book.

Gordon Miller:

The actual book Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) has a lot of knowledge on it. So when you read this book you can get a lot of gain. The book was published by the very famous author. The writer makes some research previous to write this book. This particular book very easy to read you will get the point easily after reading this book.

Laura Thibodeau:

Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) can be one of your beginning books that are good idea. We recommend that straight away because this publication has good vocabulary that may increase your knowledge in terminology, easy to understand, bit entertaining but nevertheless delivering the information. The writer giving his/her effort that will put every word into joy arrangement in writing Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) yet doesn't forget the main place, giving the reader the hottest in addition to based confirm resource information that maybe you can be certainly one of it. This great information can drawn you into fresh stage of crucial thinking.

Read Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn for online ebook

Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn Free PDF d0wnl0ad, audio books, books to read, good books to read, cheap books, good books, online books, books online, book reviews epub, read books online, books to read online, online library, greatbooks to read, PDF best books to read, top books to read Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn books to read online.

Online Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn ebook PDF download

Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn Doc

Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn Mobipocket

Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn EPub

AD296N0U7KB: Option Valuation: A First Course in Financial Mathematics (Chapman and Hall/CRC Financial Mathematics Series) By Hugo D. Junghenn