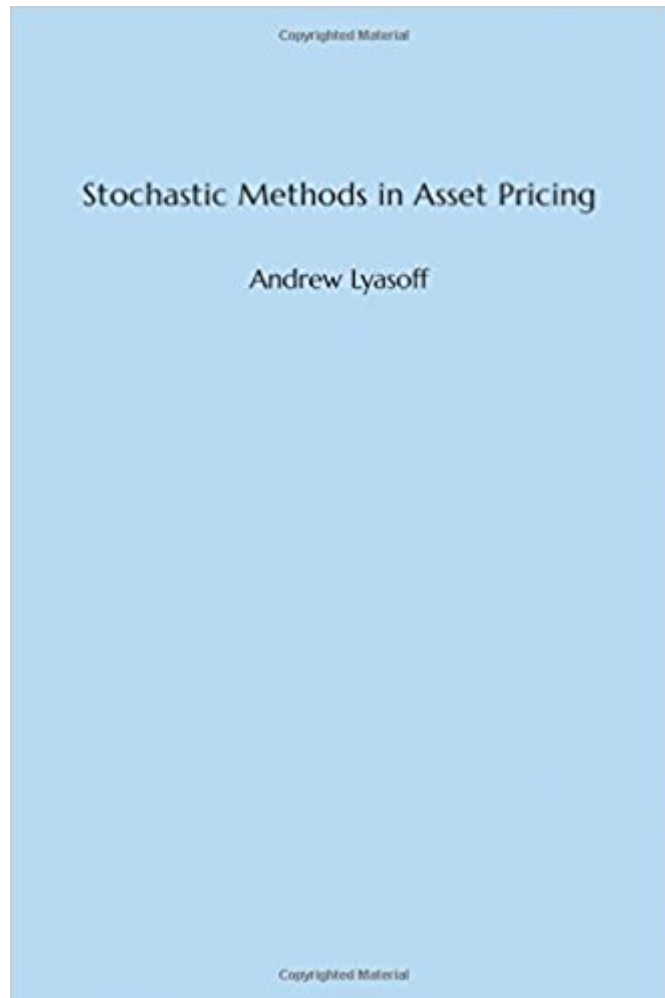




**Ebook Directory**  
the best source of ebook

The book was found

# Stochastic Methods In Asset Pricing (MIT Press)



## Synopsis

This book presents a self-contained, comprehensive, and yet concise and condensed overview of the theory and methods of probability, integration, stochastic processes, optimal control, and their connections to the principles of asset pricing. The book is broader in scope than other introductory-level graduate texts on the subject, requires fewer prerequisites, and covers the relevant material at greater depth, mainly without rigorous technical proofs. The book brings to an introductory level certain concepts and topics that are usually found in advanced research monographs on stochastic processes and asset pricing, and it attempts to establish greater clarity on the connections between these two fields. The book begins with measure-theoretic probability and integration, and then develops the classical tools of stochastic calculus, including stochastic calculus with jumps and Lévy processes. For asset pricing, the book begins with a brief overview of risk preferences and general equilibrium in incomplete finite endowment economies, followed by the classical asset pricing setup in continuous time. The goal is to present a coherent single overview. For example, the text introduces discrete-time martingales as a consequence of market equilibrium considerations and connects them to the stochastic discount factors before offering a general definition. It covers concrete option pricing models (including stochastic volatility, exchange options, and the exercise of American options), Merton's investment-consumption problem, and several other applications. The book includes more than 450 exercises (with detailed hints). Appendixes cover analysis and topology and computer code related to the practical applications discussed in the text.

## Book Information

Series: MIT Press

Hardcover: 632 pages

Publisher: The MIT Press (August 25, 2017)

Language: English

ISBN-10: 026203655X

ISBN-13: 978-0262036559

Product Dimensions: 6 x 0.9 x 9 inches

Shipping Weight: 1.5 pounds (View shipping rates and policies)

Average Customer Review: Be the first to review this item

Best Sellers Rank: #528,273 in Books (See Top 100 in Books) #57 in [Books > Science & Math > Mathematics > Applied > Stochastic Modeling](#) #211 in [Books > Business & Money > Skills >](#)

## Customer Reviews

In this ambitious book, the author guides a dedicated reader from elementary probability to the advanced stochastic analysis of modern mathematical finance, with rewarding excursions into topics seldom seen in introductory texts. (Paul Glasserman, Jack R. Anderson Professor of Business, Columbia University) This is a very useful book providing a thoughtful and comprehensive overview of the theory of stochastic processes and methods in stochastic analysis that are relevant for asset pricing. The book contains many exercises that will greatly facilitate the teaching of the subject. (Viktor Todorov, Harold H. Hines Jr. Professor of Risk Management, Kellogg School of Management, Northwestern University) This beautiful book is for students and established researchers seeking deeper knowledge of the mathematics behind theories of asset pricing. Requiring little in the way of background, it takes readers to the frontier of what is necessary to understand current theory. (Jessica Wachter, Richard B. Worley Professor of Financial Management, Professor of Finance, The Wharton School)

Andrew Lyasoff is affiliated with the Mathematical Finance Program at Boston University's Questrom School of Business.

[Download to continue reading...](#)

Stochastic Methods in Asset Pricing (MIT Press) Stochastic Calculus for Finance I: The Binomial Asset Pricing Model (Springer Finance) (v. 1) Modern Portfolio Theory, the Capital Asset Pricing Model, and Arbitrage Pricing Theory: A User's Guide Stochastic Simulation: Algorithms and Analysis (Stochastic Modelling and Applied Probability, No. 57) (No. 100) Continuous-time Stochastic Control and Optimization with Financial Applications (Stochastic Modelling and Applied Probability) Asset Pricing Asset Pricing and Portfolio Choice Theory (Financial Management Association Survey and Synthesis Series) Dynamic Asset Pricing Theory, Third Edition. Asset Pricing and Portfolio Choice Theory (Financial Management Association Survey and Synthesis) Empirical Dynamic Asset Pricing: Model Specification and Econometric Assessment Theory of Asset Pricing Graphic Artist's Guild Handbook of Pricing and Ethical Guidelines (Graphic Artists Guild Handbook: Pricing & Ethical Guidelines) Smart Pricing: How Google, Priceline, and Leading Businesses Use Pricing Innovation for Profitability (paperback) The Future of Pricing: How Airline Ticket Pricing Has Inspired a Revolution Smart Pricing: How Google, Priceline, and Leading Businesses Use Pricing Innovation for Profitability Practical Pricing: Translating Pricing Theory into

Sustainable Profit Improvement Comparison Methods for Stochastic Models and Risks Stochastic Models, Information Theory, and Lie Groups, Volume 1: Classical Results and Geometric Methods (Applied and Numerical Harmonic Analysis) Stochastic Models, Information Theory, and Lie Groups, Volume 2: Analytic Methods and Modern Applications (Applied and Numerical Harmonic Analysis) Means Mechanical Estimating Methods: Takeoff & Pricing for HVAC & Plumbing, Updated 4th Edition

[Contact Us](#)

[DMCA](#)

[Privacy](#)

[FAQ & Help](#)