MATHEMATICS FOR FINANCE AND NUMERICAL SOLUTION OF BLACK-SCHOLES EQUATION

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ABSTRACT

Mathematical Finance, also known as quantitative finance, is the study of the mathematical models of financial markets. Generally, mathematical finance will derive and extend the mathematical or numerical models without necessarily establishing a link to financial theory, taking observed market prices as input. At the heart of mathematical finance is the analysis and pricing of derivatives using mathematical models. This talk provides an introduction to the mathematical finance concepts such as option pricing model and numerical solution of Black-Scholes equation using the mesless techniques.

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