

---

## Index

---

- admissible strategy, 28, 82
- arbitrage, 19
  - strategy
    - in extended market, 20
- Asian option, 126
- Bachelier model, 61, 64
- barrier options, 108
- Bayes formula, 159
- Black–Scholes
  - formula, 58, 59, 84
  - PDE, 9, 64
- cross-variation, 148
- delta, 69
- delta hedging, 69
- drift, 2
- dynamics
  - risk-neutral, 15
- exchange option, 165
- extended market, 19
- formula
  - Bayes, 159
  - Black–Scholes, 58, 59, 84
- Girsanov Theorem, 15, 159
- hedging, 68
- implied volatility, 60
- Itô
  - formula multi-dimensional, 147
- Levy
  - Theorem, 154
- market price of risk, 12
- model
  - complete, 20
- Novikov condition, 159
- numeraire, 102
- option
  - Asian, 126
  - exchange, 165
  - vanilla, 37
- risk-free
  - asset, 1
  - rate, 1
- risk-neutral
  - dynamics, 15
- risky asset, 2
- sample volatility, 4
- self-financing, 17
- self-financing strategy, 20
- strategy, 16, 19
  - admissible, 28, 82
  - replicating, 20
  - suicide, 27
- suicide strategy, 27
- theorem
  - existence and uniqueness, 147
  - Girsanov, 15, 159
  - Levy, 154
- value
  - of a strategy, 16
- vanilla options, 37
- volatility, 2
  - implied, 60
  - sample, 4