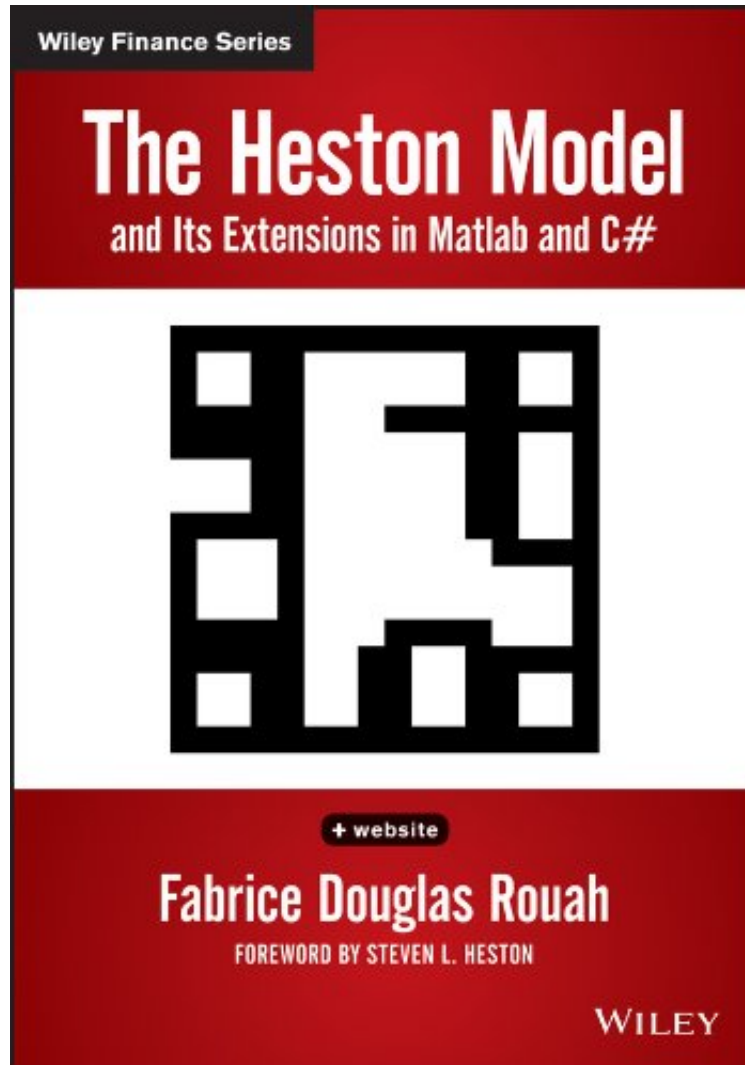


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Fabrice D. Rouah

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Fabrice D. Rouah : The Heston Model and its Extensions in Matlab and C# (Wiley Finance) before purchasing it in order to gage whether or not it would be worth my time, and all praised The Heston Model and its Extensions in Matlab and C# (Wiley Finance):

2 of 2 people found the following review helpful. Very helpful, extremely well writtenBy Joe ArmstrongI'm an engineer that graduated from a public school and have been dabbling in derivatives for years. The Heston Model has always been a subject I have avoided entirely due to its complexity, and the fact that the monte carlo version I first wrote was horrifically slow. But after reading through this book I was able to develop a spectral method to fit a Double

Heston Model to all 1,000+ SPY options in less than 5-10s on a laptop processor, and if I use the previous days fit it can be done much faster. Not to mention the fit is extremely stable and can be used to develop stable local volatilities and greek surfaces. This book did not do all the work for me, but it laid out all the relevant research in a very readable way and gave the tools necessary so that it could be readily developed. The Matlab/C# codes that are presented are also a wonderful starting point towards much more powerful formulations. I am a field engineer in the oil and gas industry and this is not my primary occupation. 2 of 2 people found the following review helpful. excellent book By quantvery well written. will probably be considered a future classic for those who love options... I love how the descriptions are beautifully laid out with pseudocode.... 3 of 3 people found the following review helpful. Incredibly well written, very practical and useful. A must have. By Gorka K.G.S. This book is extremely well written and it covers the most current methods applied to the Heston Model, everything with a great technical specification that allow understand the key concepts deeply. The book is also a combination of readability and strictness, which I allow myself actually enjoying reading it through its pages. Another interesting element of the book is that each chapter helps you to understand several papers from the most famous authors in the matter, because the author explains in them in a clear and concise mode, the essence of each of the papers. This part is very important, because it is accompanied of code written in MATLAB and C#, that show how to implement the different formulas and algorithms, allowing that the book is self-contained, so that it is very motivating for the reader. Another point is that all the code contained in the book is available for the reader once it has been purchased, through the website of the author, which it is very useful and pleasant. This book is a must own for anyone serious about really understanding the Heston models and beyond.

Tap into the power of the most popular stochastic volatility model for pricing equity derivatives Since its introduction in 1993, the Heston model has become a popular model for pricing equity derivatives, and the most popular stochastic volatility model in financial engineering. This vital resource provides a thorough derivation of the original model, and includes the most important extensions and refinements that have allowed the model to produce option prices that are more accurate and volatility surfaces that better reflect market conditions. The book's material is drawn from research papers and many of the models covered and the computer codes are unavailable from other sources. The book is light on theory and instead highlights the implementation of the models. All of the models found here have been coded in Matlab and C#. This reliable resource offers an understanding of how the original model was derived from Riccati equations, and shows how to implement implied and local volatility, Fourier methods applied to the model, numerical integration schemes, parameter estimation, simulation schemes, American options, the Heston model with time-dependent parameters, finite difference methods for the Heston PDE, the Greeks, and the double Heston model. A groundbreaking book dedicated to the exploration of the Heston model—a popular model for pricing equity derivatives Includes a companion website, which explores the Heston model and its extensions all coded in Matlab and C# Written by Fabrice Douglas Rouah a quantitative analyst who specializes in financial modeling for derivatives for pricing and risk management Engaging and informative, this is the first book to deal exclusively with the Heston Model and includes code in Matlab and C# for pricing under the model, as well as code for parameter estimation, simulation, finite difference methods, American options, and more.

From the Back Cover Praise for The Heston Model and Its Extensions in Matlab and C# "In his excellent new book, Fabrice Rouah provides a careful presentation of all aspects of the Heston model, with a strong emphasis on getting the model up and running in practice. This highly practical and useful book is recommended for anyone working with stochastic volatility models." —Leif B. G. Andersen, Bank of America Merrill Lynch "Without a doubt, Fabrice provides a very valuable contribution to quantitative analysts interested in pricing options with state-of-the-art techniques." —Marco Avellaneda, New York University "The Heston model is one of the great success stories of academic finance. Rouah's impressive book provides users with all the tools required to implement the Heston model, and wonderfully bridges the gap between academia and practice." —Peter Christoffersen, University of Toronto "In this encyclopedic work, the author takes delight in exploring every aspect of the Heston model. Together with its included Matlab and C# code, this book will prove invaluable to anyone interested in option pricing. I highly recommend it." —Jim Gatheral, Baruch College author of The Volatility Surface: A Practitioner's Guide "This is the most extensive work on the Heston model I have seen: derivations, implementations, and discussions. For anyone interested in the Heston model and its variations, this is an important book to have!" —Espen Gaarder Haug, Norwegian University of Life Sciences author of Derivatives Models on Models "Rouah offers a unique and much needed synthesis of the literature regarding Heston's model of stochastic volatility. The author has accomplished the formidable task of presenting a large body of published academic and industrial research in a coherent, thorough, and very reader-friendly manner." —Andrew Lesniewski, DTCC "Beyond Black-Scholes, the Heston model is arguably the most important model in quantitative finance and certainly deserves its own book. Rouah provides here a comprehensive treatment—clearly discussing all the major issues, later extensions, and subtle traps." —Alan L. Lewis, PhD, author of Option Valuation Under Stochastic Volatility: With Mathematica Code About the Author FABRICE DOUGLAS ROUAH is a quantitative analyst who specializes in financial modeling of derivatives

for pricing and risk management at Sapiient Global Markets, a global consultancy. Prior to joining Sapiient, Rouah worked at State Street Corporation and McGill University. He is the coauthor and/or coeditor of five books on hedge funds, commodity trading advisors, and option pricing. Rouah holds a PhD in finance and an MSc in statistics from McGill University, and a BSc in applied mathematics from Concordia University.