

TEXT: *Numerical Methods in Finance and Economics, Second Edition*, Paolo Brandimarte, John Wiley & Sons, Hoboken, NJ, 2006.
ISBN: 978-0-471-74503-7

The times listed below are approximate, and may be adjusted as the semester progresses. The two sources for material are the class textbook (BT) and my own prepared notes (NT). Assignments are due on Tuesday if they are listed first below, and Thursday otherwise. Unless otherwise stated, you should turn in hardcopy of your work. The specifics of each assignment will be given in class and posted on the web as the course progresses. Problems that are to be worked by individuals without collaboration will be marked "(I)". Each assignment will be worth 45 points. Each assignment includes all problems not yet collected and assigned one week or more before the due date.

WEEK	DATES	SECTIONS	TOPICS
1	Jan 8-12	NT NT NT	Introduction Matlab & Matrices Matlab & Calculus
2	Jan 15 Jan 16-19	(no class) NT NT	Martin Luther King Day Matlab & Calculus Matlab & Statistics

Friday, January 19, is the last day to withdraw from the course and not have it appear on your transcript.

3	Jan 22-26	BT, Sec 2.1-2	Basic financial assets Asgn 1 due
4	Jan 29-Feb 2	BT, Sec 2.3	Fixed income securities
5	Feb 5-9	BT, Sec 2.3-4	Stock portfolio optimization
6	Feb 12-16	BT, Sec 2.5-6	Asset and derivative pricing Asgn 2 due
7	Feb 19-23	BT, 7.1-2	Option pricing by binomial lattices
8	Feb 26-Mar 2	BT, 3.1-2	Numerical computation and linear systems Review

Friday, March 2, is the last day to change your grade option to or from "Pass/No Pass".

WEEK	DATES	SECTIONS	TOPICS
9	March 5-9	BT, 3.3-4	Midterm Function approximation and system solving Asgn 3 due
10	Mar 12-16	(no class)	Spring Break
11	Mar 19-23	BT, Sec 4.1-3	Monte Carlo methods and quadrature
12	Mar 26-30	BT, Sec 4.4-6	Special techniques for MC simulation
13	Apr 2-6	BT, Sec 8.1-3	Option pricing by MC methods Asgn 4 due
Friday, April 6, is the last day to withdraw from the course and receive a grade of W.			
14	Apr 9-13	NT	Optimization in business
15	Apr 16-20	NT	Decision analysis
16	Apr 23-27	NT	Decision analysis Asgn 5 due Review

Final Exam: The final exam is a comprehensive exam to be given on Tuesday, May 1, 10:00 - 12:00 am in 110 Kauffman.

Department Grading Appeals Policy: The Department of Mathematics does not tolerate discrimination or harassment on the basis of race, gender, religion or sexual orientation. If you believe you have been subject to such discrimination or harassment please contact the department. If, for this or any other reason, you believe that your grade was assigned incorrectly or capriciously, appeals may be made to (in order) the instructor, the department chair, the departmental grading appeals committee, the college grading appeals committee and the university grading appeals committee.