UNIVERSITÀ DEGLI STUDI DI BERGAMO | Department of Management

Research Seminars Series

A.Y. 2023-2024 2nd Term

April 24, 2024 – 12:30 a.m. (CET)
In room 22, via dei Caniana 2
AND Online on Microsoft Teams (link)

Presenter: Prof Gianluca Fusai
Università del Piemonte Orientale
Bayes Business School, City University, London.

TITLE - ***Monotonic transformation and recovering the implied stock price process***

ABSTRACT – The presentation proposed constructing a stochastic process for stock prices that perfectly matches observed option prices. It employs a non-linear monotonic transformation of a standard Brownian motion. The presentation includes a detailed numerical example demonstrating the practical implementation of this simple idea, which does not require significant sophistication. A comparison with more sophisticated approaches, such as Goldenberg, Dupiré, and Gyöngy's Theorem, is also discussed.

TYPE OF RESEARCH –Theoretical and Empirical

STAGE OF RESEARCH – Accepted Paper

For further information please refer to: seminars.dipsa@unibg.it

This initiative is implemented within the framework and under the coordination of the TRANSET project of the Department of Management, department of excellence for the period 2023-2027, as per L.232/2016