

FM 9561B - Fixed-Income Modelling

Outline of Lectures: 10 – 14 February 2014

For this week, we aim to cover the following theories/concepts:

1. Numéraire processes (Continued)
2. Term structure modelling and example of classical models
3. The bond price in the Vasicek model
4. Bond price solution via the PDE approach
5. The Hull-White model and the derivation of the bond price