



# Mini Course

## Derivative Pricing and Hedging with GARCH Models and Their Continuous-Time Limits

[Prof. Alexandru Badescu \(University of Calgary, Canada\)](#)

### Outline:

The course starts with an introduction to GARCH models and their continuous-time limits, discusses stochastic discount factors and option pricing and hedging with GARCH models and their diffusion limits. Additionally, variance swap (VS) pricing and convergence questions are addressed in detail. The course concludes with presentation of numerical examples and calibration to observed market quotes of various GARCH option pricing models under different pricing rules.

**Tuesday, May 22**

M0801

15:15 – 18:30

**Thursday, May 24**

M1001

15:15 – 18:30

**Monday, May 28**

M0801

17:00 – 18:30

Invited by

Lyudmila Grigoryeva  
Universität Konstanz

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