

University of Pretoria Yearbook 2023

Mathematical and computational finance 831 (WTW 831)

Qualification	Postgraduate
Faculty	Faculty of Natural and Agricultural Sciences
Module credits	1.00
NQF Level	09
Prerequisites	Financial Engineering on honours level
Contact time	1 lecture per week
Language of tuition	Module is presented in English
Department	Mathematics and Applied Mathematics
Period of presentation	Semester 1

Module content

*Consult with the Head of the Department of Mathematics and Applied Mathematics about the availability of this master's module in a particular year.

Stochastic Calculus: Multidimensional Itô formula, correlated Wiener processes, the infinitesimal operator, SDE's, PDE's, the Kolmogorov equations, martingales, stochastic integral representations and Girsanov's theorem. The martingale approach to arbitrage theory. Bonds and interest rates: Martingale models, standard models, the Heath-Jarrow-Morton framework. Monte Carlo methods. Finite difference methods.

Regulations and rules

The regulations and rules for the degrees published here are subject to change and may be amended after the publication of this information.

The [General Academic Regulations \(G Regulations\)](#) and [General Student Rules](#) apply to all faculties and registered students of the University, as well as all prospective students who have accepted an offer of a place at the University of Pretoria. On registering for a programme, the student bears the responsibility of ensuring that they familiarise themselves with the General Academic Regulations applicable to their registration, as well as the relevant faculty-specific and programme-specific regulations and information as stipulated in the relevant yearbook. Ignorance concerning these regulations will not be accepted as an excuse for any transgression, or basis for an exception to any of the aforementioned regulations.

University of Pretoria Programme Qualification Mix (PQM) verification project

The higher education sector has undergone an extensive alignment to the Higher Education Qualification Sub-Framework (HEQF) across all institutions in South Africa. In order to comply with the HEQSF, all institutions are legally required to participate in a national initiative led by regulatory bodies such as the Department of Higher Education and Training (DHET), the Council on Higher Education (CHE), and the South African Qualifications Authority (SAQA). The University of Pretoria is presently engaged in an ongoing effort to align its qualifications and programmes with the HEQSF criteria. Current and prospective students should take note that changes to UP qualification and programme names, may occur as a result of the HEQSF initiative. Students are advised to contact their faculties if they have any questions.