



Teaching Guide

Teaching Guide				
Identifying Data				2020/21
Subject (*)	Stochastic numerical methods		Code	614855226
Study programme	Mestrado Universitario en Matemática Industrial (2013)			
Descriptors				
Cycle	Period	Year	Type	Credits
Official Master's Degree	1st four-month period	First	Optional	6
Language	Spanish			
Teaching method	Face-to-face			
Prerequisites				
Department	Matemáticas			
Coordinador	Vazquez Cendon, Carlos	E-mail	carlos.vazquez.cendon@udc.es	
Lecturers	Vazquez Cendon, Carlos	E-mail	carlos.vazquez.cendon@udc.es	
Web	www.m2i.es			
General description	Knowledge related to stochastic calculus and stochastic differential equations and the associated numerical techniques will be taught. Examples of problems in which these concepts and techniques arise will also be presented			
Contingency plan	1. Modifications to the contents: Contents are not modified. 2. Methodologies *Teaching methodologies that are maintained: All methodologies are maintained. *Teaching methodologies that are modified There are no modifications in methodologies. 3. Mechanisms for personalized attention to students: Consultation of doubts by email, videoconference system of the Master, TEAMS or skype. Available to the student, setting an appointment between the student and the teacher if necessary. 4. Modifications in the evaluation - Individual solution of selected problems posed in classroom which represents 40% of the grade - Oral defense through videoconference system of the individually solved selected problems, with questions from the teacher, which represents 15% of the grade. - Set of exercises to be solved in limited time. The development of this written exam will be followed through the master videoconference system in real time. Answers will be sent by e-mail to the teacher. It represents 35% of the grade. - Oral defense through videoconference system of the previous written exam, with questions from the teacher. It represents 10% of the grade. *Evaluation observations:In the second assessment opportunity the same as in the 1st assessment opportunity are applied 5. Modifications to the bibliography or webgraphy: no modifications			

Study programme competences

Code	Study programme competences
A1	Alcanzar un conocimiento básico en un área de Ingeniería/Ciencias Aplicadas, como punto de partida para un adecuado modelado matemático, tanto en contextos bien establecidos como en entornos nuevos o poco conocidos dentro de contextos más amplios y multidisciplinares.



A2	Modelar ingredientes específicos y realizar las simplificaciones adecuadas en el modelo que faciliten su tratamiento numérico, manteniendo el grado de precisión, de acuerdo con requisitos previamente establecidos.
A3	Determinar si un modelo de un proceso está bien planteado matemáticamente y bien formulado desde el punto de vista físico.
A4	Ser capaz de seleccionar un conjunto de técnicas numéricas, lenguajes y herramientas informáticas, adecuadas para resolver un modelo matemático.
A5	Ser capaz de validar e interpretar los resultados obtenidos, comparando con visualizaciones, medidas experimentales y/o requisitos funcionales del correspondiente sistema físico/de ingeniería.
A7	Saber modelar elementos y sistemas complejos o en campos poco establecidos, que conduzcan a problemas bien planteados/formulados.
A8	Saber adaptar, modificar e implementar herramientas de software de simulación numérica.
B1	Saber aplicar los conocimientos adquiridos y su capacidad de resolución de problemas en entornos nuevos o poco conocidos dentro de contextos más amplios, incluyendo la capacidad de integrarse en equipos multidisciplinares de I+D+i en el entorno empresarial.
B2	Poseer conocimientos que aporten una base u oportunidad de ser originales en el desarrollo y/o aplicación de ideas, a menudo en un contexto de investigación, sabiendo traducir necesidades industriales en términos de proyectos de I+D+i en el campo de la Matemática Industrial
B3	Ser capaz de integrar conocimientos para enfrentarse a la formulación de juicios a partir de información que, aun siendo incompleta o limitada, incluya reflexiones sobre las responsabilidades sociales y éticas vinculadas a la aplicación de sus conocimientos.
B5	Poseer las habilidades de aprendizaje que les permitan continuar estudiando de un modo que habrá de ser en gran medida autodirigido o autónomo, y poder emprender con éxito estudios de doctorado.

Learning outcomes			
Learning outcomes		Study programme competences	
Knowing and applying different numerical methods for solving stochastic differential equations (Euler, Mistein, Taylor, etc.) and their computer implementation to solve examples of real problems	AC4	BC1	
	AC5	BC2	
	AC8	BR1	
Knowledge of Ito calculus and application to different examples of finance and other applied sciences	AC1	BJ1	
	AC5	BC1	
	AC7	BR1	
Understand concepts and results related stochastic differential equations and the fields of application of these to real problems	AC2	BJ1	
	AC3	BC2	
	AC7	BR1	
Concepts and results related to stochastic processes are introduced and fields of application thereof shall be indicated	AC1	BJ1	
	AC7		
Knowledge of Monte Carlo methods and its application to solve problems	AC2	BC2	
	AC4	BR1	

Contents	
Topic	Sub-topic
1. Introduction to stochastic processes	
2. Monte Carlo Methods	
3. Ito calculus	
4. Stochastic differential equations	
5. Numerical methods for stochastic differential equations	

Planning				
Methodologies / tests	Competencies	Ordinary class hours	Student?s personal work hours	Total hours
Problem solving		0	60	60
Problem solving		0	36	36



Objective test		4	0	4
Guest lecture / keynote speech		42	0	42
Personalized attention		8	0	8
(*)The information in the planning table is for guidance only and does not take into account the heterogeneity of the students.				

Methodologies	
Methodologies	Description
Problem solving	- The .pdf documents contain simple exercises for review and application of concepts - Further references are indicated where you can find exercises related to the exposed subjects
Problem solving	A set of problems are posed to be solved at home, some are shorter and others require greater dedication
Objective test	Problems statements are delivered to the student to be solved, for this purpose the student can use the slides that have been presented in class by the teacher
Guest lecture / keynote speech	- Previously to lecture sessions, a .pdf document with the contents of the lecture is delivered to students. - Table PC and videoconferencing systems will be used to allow the following of the lectures from the different campus. - Participation of students with questions and comments to be discussed during lectures will be encouraged. Also the questions will be solved and remarks will be illustrated by using Windows Journal computer application when necessary.

Personalized attention	
Methodologies	Description
Problem solving	Exercises of students will be reported and their results will be discussed

Assessment			
Methodologies	Competencies	Description	Qualification
Problem solving		Valoraranse os exercicios propostos en clases para a súa realización fóra de clases	50
Objective test		In a fixed date a written practical exam of the knowledge of the subject in fixed date will be held. In case of failing, also at a later date an additional recovery exam of the same type will take place.	50

Assessment comments

Sources of information	
Basic	- P. Glasserman (2004). Monte Carlo methods in financial engineering. Springer - P. Kloeden, E. Platen (1992). Numerical solution of stochastic differential equations. Springer - T. Mikosh (1998). Elementary stochastic calculus with finance in view. World Scientific - B. Oksendal (1998). Stochastic differential equations. An introduction with applications. Universitext, Springer
Complementary	

Recommendations
Subjects that it is recommended to have taken before
Subjects that are recommended to be taken simultaneously
Subjects that continue the syllabus
Mathematical modeling in finance/614855211
Other comments



(*)The teaching guide is the document in which the URV publishes the information about all its courses. It is a public document and cannot be modified. Only in exceptional cases can it be revised by the competent agent or duly revised so that it is in line with current legislation.