Modeling and Pricing in Financial Markets for Weather Derivatives: 17 (Advanced Series on Statistical Science and Applied Probability)

Fred Espen Benth, J?rat? Scaron;altyt? Benth
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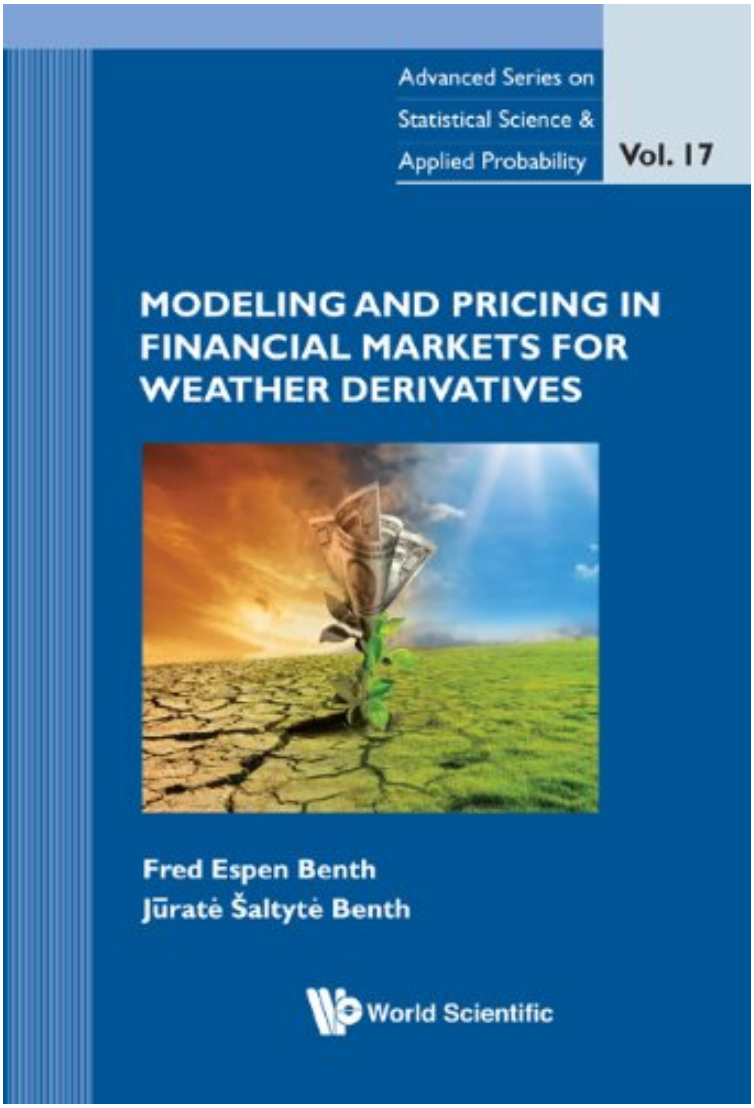

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Fred Espen Benth, J?rat? Scaron;altyt? Benth : Modeling and Pricing in Financial Markets for Weather Derivatives: 17 (Advanced Series on Statistical Science and Applied Probability) before purchasing it in order to gage whether or not it would be worth my time, and all praised Modeling and Pricing in Financial Markets for

Weather Derivatives: 17 (Advanced Series on Statistical Science and Applied Probability):

Weather derivatives provide a tool for weather risk management, and the markets for these exotic financial products are gradually emerging in size and importance. This unique monograph presents a unified approach to the modeling and analysis of such weather derivatives, including financial contracts on temperature, wind and rain. Based on a deep statistical analysis of weather factors, sophisticated stochastic processes are introduced modeling the time and space dynamics. Applying ideas from the modern theory of mathematical finance, weather derivatives are priced, and questions of hedging analyzed. The treatise contains an in-depth analysis of typical weather contracts traded at the Chicago Mercantile Exchange (CME), including so-called CDD and HDD futures. The statistical analysis of weather variables is based on a large data set from Lithuania. The monograph includes the research done by the authors over the last decade on weather markets. Their work has gained considerable attention, and has been applied in many contexts.Contents:Financial Markets for WeatherStatistics of Weather:Data Description and Exploratory AnalysisSpatial-Temporal ModellingWeather Derivatives:Continuous-Time Models for Temperature and Wind SpeedPricing of Forward Contracts on Temperature and Wind SpeedExtensions of Temperature and Wind Speed ModelsOptions on Temperature and WindPrecipitation DerivativesUtility-Based Approaches to Pricing Weather DerivativesReadership: Researchers in mathematical/quantitative finance, environmental/energy economics.

"The monograph will also be useful for those dealing with energy markets, agriculture, insurance and financial engineering, and will stimulate further research in this important direction." --Anatoliy Swishchuk, University of Calgary From the Inside FlapWeather derivatives provide a tool for weather risk management, and the markets for these exotic financial products are gradually emerging in size and importance. This unique monograph presents a unified approach to the modeling and analysis of such weather derivatives, including financial contracts on temperature, wind and rain. Based on a deep statistical analysis of weather factors, sophisticated stochastic processes are introduced modeling the time and space dynamics. Applying ideas from the modern theory of mathematical finance, weather derivatives are priced, and questions of hedging analyzed. The treatise contains an in-depth analysis of typical weather contracts traded at the Chicago Mercantile Exchange (CME), including so-called CDD and HDD futures. The statistical analysis of weather variables are based on a large data set from Lithuania. The monograph includes the research done by the authors over the last decade on weather markets. Their work has gained considerable attention, and has been applied in many contexts.