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bsnd

1 Description

Then, we assume that S_0^i is deterministic and we consider the stock S_t^i satisfying

$$dS_t^i = S_t^i \left(\mu_i dt + \sum_{1 \leq j \leq i} \sigma_{i,j} dB_t^j \right)$$

or, equivalently,

$$S_t^i = S_0^i \exp \left(-t \left(\frac{1}{2} \sum_{1 \leq j \leq i} \sigma_{i,j}^2 - r + \delta_i \right) + \sum_{1 \leq j \leq i} \sigma_{i,j} W_t^j \right)$$

where $(W_t)_{t \in [0, T]}$ is a brownian motion under the unique risk-neutral probability measure \mathbb{P} of the market.

2 Code Implementation

```
#ifndef _BSND_H
#define _BSND_H

#include "optype.h"
#include "var.h"
#include "error_msg.h"

#define TYPEMOD BSND

typedef struct TYPEMOD
{
    VAR Size;
    VAR T;
```

```
VAR S0;  
VAR Sigma;  
VAR Divid;  
VAR Rho;  
VAR R;  
} TYPEMOD;
```

```
#endif
```