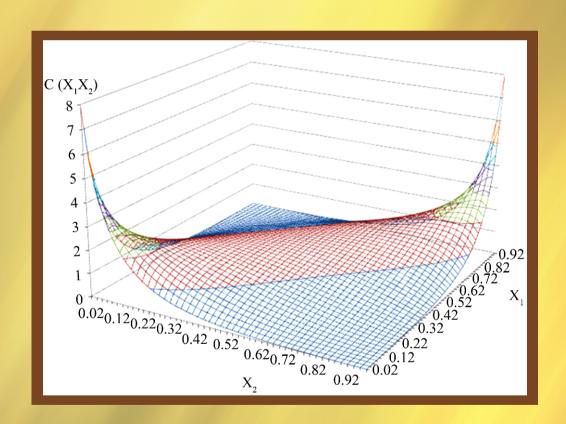


Journal of Mathematical Finance





Journal Editorial Board

ISSN: 2162-2434 (Print), 2162-2442 (Online)

http://www.SciRP.org/journal/jmf/

.....

Editor in Chief

Dr. Moawia Alghalith University of the West Indies, Trinidad-and-Tobago

Associate Editor in Chief

Prof. Haim LevyHebrew University, IsraelDr. Stephen Ellwood SatchellCambridge University, UK

Prof. Wing-Keung Wong Hong Kong Baptist University, Hong Kong (China)

Editorial Advisory Board

Prof. Ricardas Zitikis University of Western Ontario, Canada

Honorary Editorial Board

Prof. Frank J. Fabozzi EDHEC Business School, France

Editorial Board

Prof. Christopher John AdcockUniversity of Sheffield, UKProf. Udo BrollTU Dresden, Germany

Prof. Raymond Chan The Chinese University of Hong Kong, Hong Kong (China)

Dr. Umberto Cheruabini University of Bologna, Italy

Prof. Martin Egozcue University of Montevideo and FCS UDELAR, Uruguay

Prof. Richard W. GorvettUniversity of Illinois, USADr. Zhengfeng GuoVanderbilt University, USA

Dr. Fariba Hashemi Swiss Federal Institute of Technology EPFL, Switzerland

Prof. Xue-Zhong HeUniversity of Technology, Sydney, AustraliaProf. Cheng HsiaoUniversity of Southern California, USA

Dr. George J. JiangUniversity of Arizona, USAProf. Eliakim KatzNorthern Illinois University, USAProf. Yong H. KimUniversity of Cincinnati, USADr. Ka Chi LamCity University of Hong Kong, ChinaProf. Donald LienUniversity of Texas at San Antonio, USA

Prof. Alexander Melnikov University of Alberta, Canada

Prof. Gareth William Peters University of New South Wales, Australia

Dr. Hermann Ratsimbanierana University of Perpignan, France

Editorial Assistant

Yana Yi Scientific Research Publishing, USA

Journal of Mathematical Finance, 2011, 1, 41-134

Published Online November 2011 in SciRes (http://www.SciRP.org/journal/jmf/)



TABLE OF CONTENTS

volume 1 Number 3	November 2011
Adaptive Wave Models for Sophisticated Option Pricing	
V. G. Ivancevic.	41
Risk Aggregation by Using Copulas in Internal Models	
T. Nguyen, R. D. Molinari	
Maximum Quasi-Likelihood Estimation in Fractional Levy Stochastic Vola	ntility Model
J. P. N. Bishwal	58
Recent Developments in Option Pricing	
H. Gong, A. Thavaneswaran, Y. Liang	63
On the Individual Expectations of Non-Average Investors	
L. Del Chicca, G. Larcher	72
The Markovian Regime-Switching Risk Model with Constant Dividend Ba	rrier under Absolute Ruin
W. G. Yu, Y. J. Huang.	83
Stochastic Volatility Jump-Diffusion Model for Option Pricing	
N. Makate, P. Sattayatham	
European Option Pricing for a Stochastic Volatility Lévy Model with Stoch	
S. Pinkham, P. Sattayatham	98
On Value Premium, Part I: The Existence	
C. F. Ling, S. G. M. Koo.	109
Analysis of Hedging Profits under Two Stock Pricing Models	
L. Y. Cao, ZF. Guo	120
Stochastic Convergence in Regional Economic Activity	
F. Hashemi	125
The Optimal Portfolio Model Based on Mean-CVaR	
X. Yu, H. G. Sun, G. H. Chen	132

The figure on the front cover is from the article published in Journal of Mathematical Finance, 2011, Vol. 1, No. 3, pp. 50-57 by Tristan Nguyen and Robert Danilo Molinari.

Copyright © 2011 SciRes.

Journal of Mathematical Finance (JMF)

Journal Information

SUBSCRIPTIONS

The *Journal of Mathematical Finance (JMF)* (Online at Scientific Research Publishing, www.SciRP.org) is published quarterly by Scientific Research Publishing, Inc., USA.

Subscription rates:

Print: \$39 per issue.

To subscribe, please contact Journals Subscriptions Department, E-mail: sub@scirp.org

SERVICES

Advertisements

Advertisement Sales Department, E-mail: service@scirp.org

Reprints (minimum quantity 100 copies)

Reprints Co-ordinator, Scientific Research Publishing, Inc., USA.

E-mail: sub@scirp.org

COPYRIGHT

Copyright@2011 Scientific Research Publishing, Inc.

All Rights Reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording, scanning or otherwise, except as described below, without the permission in writing of the Publisher.

Copying of articles is not permitted except for personal and internal use, to the extent permitted by national copyright law, or under the terms of a license issued by the national Reproduction Rights Organization.

Requests for permission for other kinds of copying, such as copying for general distribution, for advertising or promotional purposes, for creating new collective works or for resale, and other enquiries should be addressed to the Publisher.

Statements and opinions expressed in the articles and communications are those of the individual contributors and not the statements and opinion of Scientific Research Publishing, Inc. We assumes no responsibility or liability for any damage or injury to persons or property arising out of the use of any materials, instructions, methods or ideas contained herein. We expressly disclaim any implied warranties of merchantability or fitness for a particular purpose. If expert assistance is required, the services of a competent professional person should be sought.

PRODUCTION INFORMATION

For manuscripts that have been accepted for publication, please contact:

E-mail: jmf@scirp.org

Call for Papers



Journal of Mathematical Finance (JMF)

ISSN 2162-2434 (Print) ISSN 2162-2442 (Online) http://www.SciRP.org/journal/jmf/

Journal of Mathematical Finance (JMF) aims at presenting the latest development on pure and applied financial mathematics. It considers important theoretical, empirical and review papers.

Editor in Chief

Dr. Moawia Alghalith University of the West Indies, Trinidad-and-Tobago

Editorial Board

Prof. Christopher John AdcockDr. Zhengfeng GuoProf. Yong H. KimProf. Udo BrollDr. Fariba HashemiDr. Ka Chi LamProf. Raymond ChanProf. Xue-Zhong HeProf. Donald Lien

Dr. Umberto CheruabiniProf. Cheng HsiaoProf. Alexander MelnikovProf. Martín EgozcueDr. George J. JiangProf. Gareth William PetersProf. Richard W. GorvettProf. Eliakim KatzDr. Hermann Ratsimbanierana

Subject Coverage

The journal publishes original papers including but not limited to the following fields:

Approximation

Solutions to PDEs

• Financial engineering

Stochastic optimization and control

Financial statistics

Stochastic processes

Harmonic analysis

We are also interested in: 1) Short Reports—2-5 page papers where an author can either present an idea with theoretical background but has not yet completed the research needed for a complete paper or preliminary data; 2) Book Reviews—Comments and critiques.

Notes for Intending Authors

Submitted papers should not have been previously published nor be currently under consideration for publication elsewhere. Paper submission will be handled electronically through the website. All papers are refereed through a peer review process. For more details about the submissions, please access the website.

Website and E-Mail

Http://www.scirp.org/journal/jmf E-mail: jmf@scirp.org