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Titolo	Identifying Stock Market Bubbles : Modeling Illiquidity Premium and Bid-Ask Prices of Financial Securities // by Azar Karimov
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ISBN	3-319-65009-2
Edizione	[1st ed. 2017.]
Descrizione fisica	1 online resource (XXI, 131 p. 30 illus.)
Collana	Contributions to Management Science, , 1431-1941
Disciplina	332.642
Soggetti	Risk management Operations research Decision making Economics, Mathematical Macroeconomics Statistics Financial engineering Risk Management Operations Research/Decision Theory Quantitative Finance Macroeconomics/Monetary Economics//Financial Economics Statistics for Business, Management, Economics, Finance, Insurance Financial Engineering
Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Nota di bibliografia	Includes bibliographical references at the end of each chapters.
Nota di contenuto	Introduction -- Review on Research Conducted -- Theory of Conic Finance -- Stock Prices Follow a Brownian Motion -- Stock Prices Follow a Double Exponential Jump-Diffusion Model -- Numerical Implementation and Parameter Estimation Under Kou Model -- Illiquidity Premium and Connection with Financial Bubbles -- Conclusion and Future Outlook. .
Sommario/riassunto	This book introduces readers to a new approach to identifying stock market bubbles by using the illiquidity premium, a parameter derived by employing conic finance theory. Further, it shows how to develop

the closed form formulas of the bid and ask prices of European options by using Black-Scholes and Kou models. By using the derived formulas and sliding windows technique, the book explains how to numerically calculate illiquidity premiums. The methods introduced here will enable readers interested in risk management, portfolio optimization and hedging in real-time to identify when asset prices are in a bubble state and when that bubble bursts. Moreover, the techniques discussed will allow them to accurately recognize periods of exuberance and panic, and to measure how different strategies work during these phases with respect to calmer periods of market behavior. A brief history of financial bubbles and an outlook on future developments serve to round out the coverage.
