1.	Record Nr.	UNINA9910299642703321
	Autore	Chen Jian
	Titolo	General Equilibrium Option Pricing Method: Theoretical and Empirical Study [[electronic resource] /] / by Jian Chen
	Pubbl/distr/stampa	Singapore : , : Springer Singapore : , : Imprint : Springer, , 2018
	ISBN	981-10-7428-3
	Edizione	[1st ed. 2018.]
	Descrizione fisica	1 online resource (163 pages)
	Disciplina	332.632
	Soggetti	Finance, Public
		Macroeconomics
		Economic theory
		Public Finance
		Macroeconomics/Monetary Economics//Financial Economics
		Economic Theory/Quantitative Economics/Mathematical Methods
	Lingua di pubblicazione	Inglese
	Formato	Materiale a stampa
	Livello bibliografico	Monografia
	Nota di contenuto	Chapter1.Introduction -- Chapter2.General Equilibrium Option Pricing Models -- Chapter3.Simulation Comparison -- Chapter4.Empirical Comparison -- Chapter5.Fanning Preference and Option Pricing -- Chapter6.Jump Size Distribution and Option Pricing -- Chapter7.Risk Aversion Estimated From Variance Risk Premium.-Chapter8. Predictability of Variance Risk Premium: Hong Kong Evidence -- Chapter9.Predictability of Variance Risk Premium:Other International Evidence -- Chapter10.Predictability of Variance Risk Premium:A Comparison Study -- Chapter11.Conclusions.
	Sommario/riassunto	This book mainly addresses the general equilibrium asset pricing method in two aspects: option pricing and variance risk premium. First, volatility smile and smirk is the famous puzzle in option pricing. Different from no arbitrage method, this book applies the general equilibrium approach in explaining the puzzle. In the presence of jump, investors impose more weights on the jump risk than the volatility risk, and as a result, investors require more jump risk premium which generates a pronounced volatility smirk. Second, based on the general equilibrium framework, this book proposes variance risk premium and

empirically tests its predictive power for international stock market returns.