Abstract

The field of mathematical finance has undergone a remarkable development since the seminal papers by F. Black and M. Scholes [8] and R. Merton [9], in which the famous Black-Scholes Option Pricing Formula was derived. In order to determine the value of a contingent claim or the best strategy to construct an optimal portfolio, it is important to model the amount of information that it is known and how to value it. The main tool at disposal for this task is the concept of Enlargement of Filtration and this course will give a short introduction to it.

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- Predictable Representation Property and Girsanov’s Theorem
- Basic Concepts and Examples in Finance
- Enlargement of Filtrations - Initial Enlargement
- Enlargement of Filtrations - Progressive Enlargement
- Optimal portfolio with insider information

References

Main textbook


Additional textbooks


**Review articles**


