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mc_longstaffschwartz

Input parameters:

- Number of iterations N
- Generator_Type
- Increment *inc*
- Regressor Basis *basis*
- Dimension Approximation *dimapprox*
- Number of Exercise Date *exercise_date_number*

Output parameters:

- Price P
- Delta δ

Description:

Computation of Bermudian Option Price with the Longstaff-Schwartz algorithm that gives an estimation of an optimal stopping time using regression method. [1]. Longstaff-Schwartz Method

References

[1] F.A.LONGSTAFF E.S.SCHWARTZ. Valuing american options by simulations:a simple least-squares approach. *Working Paper Anderson Graduate School of Management University of California*, 25, 1998. 1