

5. Particle Markov chain Monte Carlo methods for Stochastic Volatility Models

Proposer: Arnaud Doucet

Stochastic volatility models have become very popular in financial econometrics over the past ten years. Unfortunately, inference for such statistical models is complex as the likelihood is not available in closed-form. Particle Markov chain Monte Carlo (PMCMC) methods is a new class of Monte Carlo methods which have been recently proposed to perform inference for such complex models. The objective of this project is to develop and implement PMCMC methods for high-dimensional stochastic volatility models

References:

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