

Corrections to

*Robust Libor Modelling and Pricing of Derivative Products*

pg. 21: r.h.s. of (1.39) and r.h.s. middle of (1.40) need to be divided by  $T_p - t$ .  
pg. 93: . . . Hence,

$$\frac{\partial}{\partial \rho} \text{Var}_{\sigma_1, \sigma_2, \rho}(X_j) \leq -2\sigma_1\sigma_2\delta_j^2 e^{2\sigma_2^2} (1 - 4\sigma_2 \max(0, \sigma_1 - \sigma_2)) < 0$$

pg. 93: In every Libor market model . . .  $\sigma_2^2 = . .$  and  $\sigma_1^2 = . .$

pg. 94: In (4.20) second line =  $E(\cdot \cdot \cdot - \delta_j \mathbf{s})^+$

pg. 178: Last sentence: . . right continuous **with left limits**. . and  $A$  is a **predictable** process of . .

pg. 196: Insert reference: Kühn, C., & Kyprianou, A.E., Pricing Israeli options: a pathwise approach, Working paper (2003)

*Last update 21.03.06*