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,

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

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

pg. 94: In (4.20) second line $= E(\cdots - \delta \Phi^t)$

pg. 178: Last sentence: . . right continuous with left limits. . and $A$ is a \textbf{predictable} process of . .


\textit{Last update 21.03.06}