1

## A new approach to scenario generation for risk management

## Тн∪/Е3.1 10:30–11:20

Josef Teichmann (ETH Zürich)

We describe a new approach to scenario generation in risk management which combines the advantages of historical and distributional approaches. The approach is based on underlying stochastic differential equations. It allows for an easy calibration to the given time series and is flexible towards the inclusion of events, business time versus trading time, etc. Several implementations are presented.