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Applied Mathematical Finance >  
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Original Articles

# Contingent claim pricing using probability distortion operators: methods from insurance risk pricing and their relationship to financial theory

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Pages 19-47 | Published online: 14 Oct 2010

Cite this article <https://doi.org/10.1080/1350486032000069580>

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distortion approach is extended to the pricing of contingent claims for more general assumptions than those used for Black-Scholes option pricing.

Keywords:

## Contingent Claim Pricing

## Probability Distortion Functions

### Non-expected Utility

## Insurance Pricing

## Black And Sholes

## Related Research Data

## Optimal consumption and portfolio policies when asset prices follow a diffusion process

Source: Journal of Economic Theory

# A Class of Distortion Operators for Pricing Financial and Insurance Risks

Source: Journal of Risk & Insurance

## The Dual Theory of Choice under Risk

Source: Econometrica

## A class of non-expected utility risk measures and implications for asset allocations

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