

1084-90-358

**Kai-Siong Leow\*** (kleow@math.kent.edu), Copley, OH 44321. *Pricing of Swing Options: A Monte Carlo Simulation Approach.*

We study the problem of pricing swing call, swing put and swing strangle options where the option holder has multiple rights to exercise her options to trade a variable amount of an underlying commodity with a party over a specified time period. The problem is formulated as a stochastic optimal control model in discrete time and numerically solved by an approximate dynamic programming algorithm. (Received September 04, 2012)