

ap_bunchjohnsonn

This algorithm of approximation of the price of the american option was proposed by Bunch-Johnson [\[1\]](#)

/*Critical Price/*

We compute the critical prices with a iterative method for non linear equation (cf. [there](#)).

/*Price/*

Approximation price(cf. [there](#)).

/*Delta/*

Approximation delta(cf. [there](#)).

References

- [1] D.BUNCH H.JOHNSON. A simple and numerically efficient valuation method for american puts using a modified geske-johnsohn approach. *J.of Finance*, 47:809–816, 1992. [1](#)