

# Contents

Preface	v
Conventions and frequently used notations	xii
<b>Introduction</b>	1
<b>1 Stochastic processes</b>	6
1.1 Measure theory in function spaces . . . . .	6
1.2 Stochastic processes . . . . .	8
1.3 Filtrations . . . . .	9
1.4 The Daniell–Kolmogorov extension theorem . . . . .	11
1.5 The Kolmogorov continuity theorem . . . . .	16
1.6 Stopping times . . . . .	18
1.7 Martingales . . . . .	20
1.8 Martingale inequalities . . . . .	32
Notes and comments . . . . .	34
<b>2 Brownian motion</b>	35
2.1 Definition and basic properties . . . . .	35
2.2 Basic properties . . . . .	39
2.3 The law of iterated logarithm . . . . .	42
2.4 Symmetric random walks . . . . .	45
2.5 Donsker theorem . . . . .	55
Notes and comments . . . . .	62
<b>3 Markov processes</b>	63
3.1 Markov processes . . . . .	63
3.2 Strong Markov processes . . . . .	72
3.3 Feller–Dynkin diffusions . . . . .	75
3.4 Lévy processes . . . . .	87
Notes and comments . . . . .	96
<b>4 Symmetric diffusion semigroups</b>	97
4.1 Essential self-adjointness, spectral theorem . . . . .	97
4.2 Existence and regularity of the heat kernel . . . . .	106
4.3 The sub-Markov property . . . . .	109
4.4 $L^p$ -theory: The interpolation method . . . . .	112

4.5	$L^p$ -theory: The Hille–Yosida method . . . . .	114
4.6	Diffusion semigroups as solutions of a parabolic Cauchy problem . . . . .	125
4.7	The Dirichlet semigroup . . . . .	127
4.8	The Neumann semigroup . . . . .	131
4.9	Symmetric diffusion processes . . . . .	132
	Notes and comments . . . . .	135
<b>5</b>	<b>Itô calculus</b>	138
5.1	Variation of the Brownian paths . . . . .	138
5.2	Itô integral . . . . .	140
5.3	Square integrable martingales and quadratic variations . . . . .	146
5.4	Local martingales, semimartingales and integrators . . . . .	154
5.5	Döblin–Itô formula . . . . .	161
5.6	Recurrence and transience of the Brownian motion in higher dimensions . . . . .	166
5.7	Itô representation theorem . . . . .	168
5.8	Time changed martingales and planar Brownian motion . . . . .	171
5.9	Burkholder–Davis–Gundy inequalities . . . . .	175
5.10	Girsanov theorem . . . . .	178
	Notes and comments . . . . .	183
<b>6</b>	<b>Stochastic differential equations and Malliavin calculus</b>	185
6.1	Existence and uniqueness of solutions . . . . .	185
6.2	Continuity and differentiability of stochastic flows . . . . .	190
6.3	The Feynman–Kac formula . . . . .	193
6.4	The strong Markov property of solutions . . . . .	199
6.5	Stratonovitch stochastic differential equations and the language of vector fields . . . . .	201
6.6	Malliavin calculus . . . . .	205
6.7	Existence of a smooth density . . . . .	216
	Notes and comments . . . . .	219
<b>7</b>	<b>An introduction to Lyons' rough paths theory</b>	221
7.1	Continuous paths with finite $p$ -variation . . . . .	221
7.2	The signature of a bounded variation path . . . . .	226
7.3	Estimating iterated integrals . . . . .	228
7.4	Rough differential equations . . . . .	239
7.5	The Brownian motion as a rough path . . . . .	245
	Notes and comments . . . . .	254
	<b>Appendix A Unbounded operators</b>	257

<b>Appendix B Regularity theory</b>	<b>262</b>
References	269
Index	275