APPENDIX 14: Funding Value Adjustment Formula

Apologies but I haven't yet had time to work out the formulas I intended to include here. However, I would recommend the following references:

Burgard, C., and M. Kjaer, 2011, "In the balance", Risk, October.

Hull, J., and A. White. "CVA, DVA, FVA and the Black-Scholes-Merton Arguments", Working paper, September 2012.