1093-60-314   **Samu Alanko*** (`samu.alanko@nyu.edu`), Courant Institute of Mathematical Sciences, New York University, 251 Mercer Street, New York, NY 10012, and **Marco Avellaneda** (`avellaneda@courant.nyu.edu`), Courant Institute of Mathematical Sciences, New York University, 251 Mercer Street, New York, NY 10012. *Reducing variance in the numerical solution of BSDEs.*

Numerical methods based on time discretization and estimation of conditional expectations for solving backward stochastic differential equations (BSDEs) have been the object of considerable research, particularly in view of the applications to finance. We introduce and implement a simple control variate technique to reduce the simulation error of the conditional expectation estimates in BSDE methods. These modifications increase the accuracy of the existing algorithms without additional computational cost. (Received August 19, 2013)