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## 7 APPENDIX A

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### **1. Personal Information**

#### **Present Employment**

**Professor of Finance**, Smith School of Business, University of Maryland, College Park,  
2012-2018

#### **Education**

1. Ph.D. in Finance, Carnegie Mellon University, Graduate School of Industrial Administration, 1990
2. M.S. in Finance, Carnegie Mellon University, 1987
3. M.S. in Industrial Administration ("M.B.A."), Carnegie Mellon University, 1985
4. B.S. in Mathematics and Economics, University of Maryland, College Park, 1983

#### **Employment History**

1. **Professor of Finance**, Robert H. Smith School of Business, 2012-2018
2. **Associate Professor of Finance**, Robert H. Smith School of Business, 2007-2012
3. **Assistant Professor of Finance**, Robert H. Smith School of Business, 2002-2007
4. Goldman Sachs (New York), 1998-2002
  - i. **Vice President** (U.S. Arbitrage)
  - ii. **Vice President** (Quantitative Equities)
5. **Assistant Professor of Finance**, Washington University in St. Louis, 1994-1998
6. **Visiting Assistant Professor of Finance**, Columbia Business School, 1993-1994
7. **Assistant Professor of Finance**, Yale School of Organization and Management,
8. 1989-1993

### **2. Research & Publications**

#### **a. Books**

1. w/ Blair Rodman and Lee Nelson, Kill Phil, Huntington Press, 2005.
2. w/ Blair Rodman and Lee Nelson, Kill Elky (French Translation), Huntington Press, 2009.
  - Designed approximate optimal strategies for this book using combinatorial optimization.

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3. w/ Lee Nelson and Tysen Streib, Kill Everyone, Huntington Press, 2007.
    - Analyzed equilibrium strategies using game theory.

#### **b. Book Chapters**

- Heston, Steven L. and Guofu Zhou, "Exploring the Relation Between Discrete-time Jump Processes and the Finite Difference Method," **Advanced Fixed-Income Valuation Tools** (edited by N.Jegadeesh and B.Tuckman), 2000.

#### **c. Scholarly (Refereed) Articles**

1. "A Closed-Form Solution for Options with Stochastic Volatility, with Applications to Bond and Currency Options," **Review of Financial Studies** 6, No. 2 (1993) 327- 343 (Reprinted in Stochastic Volatility (Neil Shephard ed.), Oxford University Press, 2005).
2. "Invisible Parameters in Option Prices," **Journal of Finance** 48, No. 3 (1993) 933- 947.
3. Heston, Steven L. and K. Geert Rouwenhorst, "Does Industrial Structure Explain the Benefits of International Diversification," **Journal of Financial Economics** 36 (1994) 3-27 (featured in December 17th 1994 Economist magazine).
4. Heston, Steven L., K. Geert Rouwenhorst, and Roberto Wessels, "The Structure of International Stock Returns and the Integration of Capital Markets," **Journal of Empirical Finance** 2, (1995) 173-197.
5. Heston, Steven L. and K. Geert Rouwenhorst, "Industry and Country Effects in International Stock Returns," **Journal of Portfolio Management** 21, No. 3 (1995) 53-58.
6. Heston, Steven L. and K. Geert Rouwenhorst, "The Role of Beta and Size in the Cross-Section of European Stock Returns," **European Financial Management** 5, No. 1 (1999) 9-28.
7. "Valuation and Hedging of Risky Lease Payments," **Financial Analysts Journal** 55, No. 1 (1999) 88-94.
8. Heston, Steven L. and Guofu Zhou, "On the Rate of Convergence of Discrete Time Contingent Claims," **Mathematical Finance** 10, No. 1 (2000) 53-75.
9. Heston, Steven L. and Saikat Nandi, "A Closed Form GARCH Option Valuation Model," **Review of Financial Studies** 13, No. 3 (2000) 585-625.
10. "Option Pricing with Infinitely Divisible Distributions," **Quantitative Finance** 4 (October 2004), 515-524.
11. Christoffersen, Peter, Steven L. Heston, and Kris Jacobs, "Option Valuation with Conditional Skewness," **Journal of Econometrics**, 131, No. 2 (2006), 253-285.
12. Heston, Steven L, Mark Loewenstein, and Greg Willard, "Options and Bubbles," **Review of Financial Studies**, 20, No. 2 (2007), 359-390.

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13. "A Model of Discontinuous Interest Rate Behavior, Yield Curves and Volatility," **Review of Derivatives Research**, 10, No. 3 (2007), 205-225.
  14. Heston, Steven L. and Ronnie Sadka, "Seasonality in the Cross-Section of Stock Returns," **Journal of Financial Economics**, 85, (2008), 418-445.
  15. Camara, Antonio and Steven L. Heston, "Closed Form Option Pricing Formulas with Extreme Events," **Journal of Futures Markets**, 28, No. 3 (2008), 213-230.
  16. Heston, Steven L., Peter Christoffersen and Kris Jacobs, "The Shape and Term Structure of the Volatility Smirk," **Management Science** 55, No. 12 (2009), 1914-1932.
  17. Heston, Steven L. and Dan Bernhardt, "Point Shaving in College Basketball: A Cautionary Tale for Forensic Economics," **Economic Inquiry**, 48, No. 1 (2010), 14-25.
  18. "Common Patterns of Predictability in the Cross-Section of International Stock Returns," **Journal of Financial and Quantitative Analysis** 45 (2010), 1133-1160.
  19. Heston, Steven L., Robert Korajczyk, and Ronnie Sadka, "Intraday Patterns in the Cross-Section of Stock Returns," **Journal of Finance**, 65, (2010) 1369-1407.
  20. Christoffersen, Peter, Steven L. Heston, and Kris Jacobs, "Capturing Option Anomalies with a Variance-Dependent Pricing Kernel," **Review of Financial Studies** 26, No. 8 (2013), 1963-2006.
  21. Heston, Steven L. and Alberto G. Rossi, "A Spanning Series Approach to Options," **Review of Asset Pricing Studies** 7, No. 1 (2016), 2-42.
  22. Babaoğlu, Kadir, Peter Christoffersen, Steven L. Heston, and Kris Jacobs, "Option Valuation with Volatility Components, Fat Tails, and Nonmonotonic Pricing Kernels," **Review of Asset Pricing Studies** rax021 (2017).
  23. Heston, Steven L. and Nitish R. Sinha, "News vs. Sentiment: Predicting Stock Returns from News Stories," **Financial Analysts Journal** 73, No. 3 (2017), 67-83.

#### **d. Other Articles**

- "Discrete-Time Versions of Continuous-Time Interest Rate Models," **Journal of Fixed-Income** 5 (1995) 86-88.
- "A Two-Factor Term Structure Model under GARCH Volatility" (with Saikat Nandi), **Journal of Fixed Income** 13, No. 1 (2003) 87-95.

#### **e. Research Prizes and Awards**

1. **Panagora Crowell Prize finalist**, 2008-2009
2. **Chicago Quantitative Alliance Award** (top 3 finalist), 2007
3. Top 15% Teaching, R.H. Smith School, 2005-2006
4. **Best Paper on Derivatives**, Montreal Financial Econometrics Conference, 2005

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5. **Q-Group Funding Award for Option Valuation with a Multifactor Term Structure of Volatility**, 2005
  6. **Risk Magazine Risk Management Hall of Fame**, 2002

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