

Notarization: I have read the following and certify that this curriculum vitae is a current and accurate statement of my professional record.

Signed _____

Dated ___4/4/2011_____

Steven L. Heston
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Present Employment

2002 – University of Maryland, College Park
Associate Professor of Finance

Education

Carnegie Mellon University, Graduate School of Industrial Administration
1990 Ph.D. in Finance.
1987 M.S. in Finance.
1985 M.S. in Industrial Administration ("M.B.A.").

University of Maryland, College Park
1983 B.S. in Mathematics and Economics.

Employment

1998 – 2002 Goldman Sachs (New York)
Vice President (U.S. Arbitrage)
Vice President (Quantitative Equities)

1994 - 1998 Washington University in St. Louis
Assistant Professor of Finance

1993 - 1994 Columbia Business School
Visiting Assistant Professor of Finance

1989 - 1993 Yale School of Organization and Management
Assistant Professor of Finance

Books

- w/ Blair Rodman and Lee Nelson, **Kill Phil**, Huntington Press, 2005.
- w/ Blair Rodman and Lee Nelson, **Kill Elky**, Huntington Press, 2009.

Designed approximate optimal strategies for this book using combinatorical optimization.

- w/ Lee Nelson and Tysen Streib, **Kill Everyone**, Huntington Press, 2007.

Analyzed equilibrium strategies using game theory.

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.

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.
- 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. and Dan Bernhardt, "Point Shaving in College Basketball: A Cautionary Tale for Forensic Economics," **Economic Inquiry**, (2009).
- 17) Heston, Steven L., Peter Christoffersen and Kris Jacobs, "The Shape and Term Structure of the Volatility Smirk," **Management Science** 55, No. 12 (December 2009), 1914-1932.
- 18) "Common Patterns of Predictability in the Cross-Section of International Stock Returns," **Journal of Financial and Quantitative Analysis**.
- 19) Heston, Steven L., Robert Korajczyk, and Ronnie Sadka, "Intraday Patterns in the Cross-Section of Stock Returns," **Journal of Finance** 65, No. 4 (August 2010), 1369-1407.

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.

Working Papers

- "Option Anomalies and the Pricing Kernel"
- "Are You Trading Predictably?"