RICHARD H. STANTON

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Current **HAAS SCHOOL OF BUSINESS, U.C. BERKELEY** Berkeley, CA

Associate Professor of Finance.

- Assistant Professor, 1991-98.
- Tenure awarded 1998.

Education

1986 - 91 **STANFORD GRADUATE SCHOOL OF BUSINESS** Stanford, CA

Ph.D. in Finance (degree awarded 1992)

- Merit Scholar 1987-91.

1981 - 84 **CAMBRIDGE UNIVERSITY, JESUS COLLEGE** Cambridge, England

B.A. (Honors), M.A. (Honors) in Mathematics

- Scholarship in Mathematics, 1981-84.
- Ware Prize for Part IB Mathematics, 1983.

Research Interests

- Mortgage markets - prepayment modeling, valuation and hedging.
- Term structure modeling and valuation of derivative securities.
- Application of nonparametric estimation techniques to the hedging and pricing of derivatives.

Published and Forthcoming Articles

- "Pricing Continuously Resettled Contingent Claims", *Journal of Economic Dynamics and Control* 16, 561-573, 1992 (with D. Duffie).
- "Rational Prepayment and the Valuation of Mortgage-Backed Securities", *Review of Financial Studies* 8, 677-708, 1995.
- "ARM Wrestling: Valuing Adjustable Rate Mortgages Indexed to the Eleventh District Cost of Funds", *Real Estate Economics* 23, 311-345, 1995 (with N. Wallace).
- "A New Strategy for Dynamically Hedging Mortgage-Backed Securities", *Journal of Derivatives* 2, 60-77, 1995 (with J. Boudoukh, M. Richardson and R. Whitelaw).
- "Unobservable Heterogeneity and Rational Learning: Pool Specific vs. Generic Mortgage-Backed Security Prices", *Journal of Real Estate Finance and Economics* 12, 243-263, 1996.
- "Pricing Mortgage-Backed Securities in a Multifactor Interest Rate Environment: A Multivariate Density Estimation Approach", *Review of Financial Studies* 10, 405-446, 1997 (with J. Boudoukh, M. Richardson and R. Whitelaw).
- "A Nonparametric Model of Term Structure Dynamics and the Market Price of Interest Rate Risk", *Journal of Finance* 52, 1973-2002, 1997.
- "Mortgage Choice: What's the Point?", *Real Estate Economics* 26, 173-205, 1998 (with N. Wallace).
- "Anatomy of an ARM: The Interest Rate Risk of Adjustable Rate Mortgages", forthcoming, *Journal of Real Estate Finance and Economics* (with N. Wallace).

Working Papers

- "From Cradle to Grave: How to Loot a 401(k) Plan", 1999.
- "The Stochastic Behavior of Interest Rates: Implications from a Nonlinear, Continuous-Time, Multifactor Model", 1999 (with J. Boudoukh, M. Richardson and R. Whitelaw).

Teaching Experience

	HAAS SCHOOL OF BUSINESS, U.C. BERKELEY	Berkeley, CA
1992 - 93	BA130, "Financial Management" (Undergraduate core).	
1993 – 98	BA203, "Introduction to Finance" (MBA core).	
1994	BA238C, "Empirical Topics in Finance" (Ph.D.)	

	EXECUTIVE TEACHING
1992 - 99	Berkeley Program in Finance "Financial Investment Technology" program - options, swaps, fixed income, stochastic calculus, numerical methods, mortgage-backed securities, exotic options.
1994 - 99	Mid-Sized Pension Management Conference, San Francisco - mortgage-backed securities.
1996 - 97	Infinity Financial Technology, Mountain View - fixed income.
1996 - 97	J.P. Morgan, New York, markets training program - fixed income.

	OTHER
1989	Stanford Law School, class LS285, "Finance Theory".

Awards and Prizes

1986 - 89	Science and Engineering Research Council (SERC) Overseas Studentship.
1989	AACSB Doctoral Fellowship (one awarded in U.S.).
1993 - 94	U.C. Berkeley Junior Faculty Research Grant.
1993	Earl F. Cheit Outstanding Teaching Award (selected by student vote).
1994	Q Group Research Award.
1996	Haas School Schwabacher Fellowship.

Presentations at Professional Meetings

May 1998	"The Stochastic Behavior of Interest Rates: Implications from a Nonlinear, Continuous-Time, Multifactor Model", *NBER Spring Asset Pricing Meeting*.
February 1998	"The Stochastic Behavior of Interest Rates: Implications from a Nonlinear, Continuous-Time, Multifactor Model", *Utah Winter Finance Conference*.
June 1997	"The Stochastic Behavior of Interest Rates: Implications from a Nonlinear, Continuous-Time, Multifactor Model", *Western Finance Association*.
June 1997	"Mortgage Choice: What's the Point?", *Western Finance Association*.
January 1997	"A Nonparametric Model of Term Structure Dynamics and the Market Price of Interest Rate Risk", *American Finance Association.*
June 1996	"A Nonparametric Model of Term Structure Dynamics and the Market Price of Interest Rate Risk", *Society for Economic Dynamics and Control.*
June 1996	"A Nonparametric Model of Term Structure Dynamics and the Market Price of Interest Rate Risk", *Western Finance Association.*
February 1996	"A Nonparametric Model of Term Structure Dynamics and the Market Price of Interest Rate Risk", *Utah Winter Finance Conference.*
January 1996	"The Pricing of Stripped Mortgage-Backed Securities", *Econometric Society*.
September 1995	"A New Strategy for Dynamically Hedging Mortgage-Backed Securities", *Berkeley Program in Finance.*
June 1995	"Mortgage Choice: What's the Point?", *Ohio State Summer Real Estate Workshop.*
June 1995	"The Pricing and Hedging of Mortgage-Backed Securities: A Multivariate Density Estimation Approach", *Western Finance Association.*
April 1995	"A New Strategy for Dynamically Hedging Mortgage-Backed Securities", *NBER.*
February 1995	"The Pricing and Hedging of Mortgage-Backed Securities: A Multivariate Density Estimation Approach", *Utah Winter Finance Conference.*
January 1995	"Mortgage Choice: What's the Point?", *AREUEA.*
January 1994	"Anatomy of an ARM: Index Dynamics and the Valuation of Adjustable Rate Mortgages", *AREUEA.*
January 1994	"ARM Wrestling: Valuing Adjustable Rate Mortgages Indexed to the Eleventh District Cost of Funds", *American Finance Association.*
June 1993	"Pool Heterogeneity, Rational Learning and the Valuation of Mortgage-Backed Securities", *Western Finance Association.*
January 1993	"Pool Heterogeneity, Rational Learning and the Valuation of Mortgage-Backed Securities", *AREUEA.*
June 1992	"Rational Prepayment and the Valuation of Mortgage-Backed Securities", *Western Finance Association.*

Other Professional Activities

- Editorial board, Journal of Real Estate Finance and Economics.
- Program committee for annual meetings of Western Finance Association.
- Session chair at 1996/97 AREUEA meetings, 1997 AFA meetings.
- Investments paper award committee, Financial Management Association.
- Invited seminars: Carnegie-Mellon, Chicago, Duke, Federal Reserve Board, Harvard, ITAM, London Business School, Michigan, MIT, Northwestern, NYU, Stanford, UCLA, U.C. Irvine, U.T. Austin, U. Washington - Seattle, U. Wisconsin - Madison, Wharton.
- Ad hoc referee for Journal of Finance, Review of Financial Studies, Journal of Financial and Quantitative Analysis, Mathematical Finance, Journal of Business, Journal of Real Estate Finance and Economics, Real Estate Economics, Journal of Housing Research, Journal of Financial Engineering, Management Science, Journal of the American Statistical Association, National Science Foundation.

Additional Work Experience

1984 - 86 **BAIN AND COMPANY** London, England

Associate Consultant

- Acquisition target analysis, valuation, purchase and integration for major UK client.
- Development of strategy for financial information provider.

Personal

British citizen. Permanent resident of U.S. Speak French.