

Kerry Back

CONTACT INFORMATION

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EDUCATION

Western Kentucky University, B.A., Economics, 1978.
University of Kentucky, Ph.D., Economics, 1983.

EMPLOYMENT

Northwestern University
Assistant Professor of Economics, 1982–87.

University of Pennsylvania
Visiting Assistant Professor of Economics, 1988–89.

Indiana University
Associate Professor of Finance, 1987–90.

Washington University in Saint Louis
Visiting Associate, Associate, and Professor of Finance, 1989–1996.
Vernon W. and Marion K. Piper Professor of Financial Economics, 1996–2004.
Senior Associate Dean, Academic Affairs, 1996–2001, 2002–2003.

Texas A&M University
Jerry and Kay Cox Chair in Business and Thomas W. Leland Memorial Chair in
Finance, 2004–2009.

Rice University
Howard J. Creekmore Professor of Finance, 2009 –

BOOKS

1. Back, K., 2005, *A Course in Derivative Securities: Introduction to Theory and Computation*, Springer, Berlin. (Named one of the top ten finance books of 2005 by riskbook.com. Chinese translation by Shanghai People's Publishing House.)
2. Back, K., 2010, *Asset Pricing and Portfolio Choice Theory*, Oxford University Press, New York.

REFEREED ARTICLES

1. Back, K., 1986, "Continuity of the Fenchel Transform of Convex Functions," *Proceedings of the American Mathematical Society* **97**, 661–667.
2. Back, K., 1986, "Concepts of Similarity for Utility Functions," *Journal of Mathematical Economics* **15**, 129–142.
3. Back, K., 1987, "A Compact Space of Transitive Locally Non-Satiated Preference Relations," *Economics Letters* **24**, 1987, 253–256.

4. Back, K., and S. R. Pliska, 1987, "The Shadow Price of Information in Continuous Time Decision Problems," *Stochastics* **22**, 151–186.
5. Back, K., 1988, "Convergence of Lagrange Multipliers and Dual Variables for Convex Optimization Problems," *Mathematics of Operations Research* **13**, 74–79.
6. Back, K., 1988, "Structure of Consumption Sets and Existence of Equilibria in Infinite Dimensional Spaces," *Journal of Mathematical Economics* **17**, 39–49.
7. Back, K., and S. R. Pliska, 1991, "On the Fundamental Theorem of Asset Pricing with an Infinite State Space," *Journal of Mathematical Economics* **20**, 1–18.
8. Back, K., 1991, "Asset Pricing for General Processes," *Journal of Mathematical Economics* **20**, 371–395.
9. Back, K., 1992, "Insider Trading in Continuous Time," *Review of Financial Studies* **5**, 387–409.
10. Back, K., and D. P. Brown, 1992, "GMM, Maximum Likelihood, and Nonparametric Efficiency," *Economics Letters* **39**, 23–28.
11. Back, K., 1993, "Incomplete Markets and Individual Risks," *Economic Theory* **3**, 35–42.
12. Back, K., and D. P. Brown, 1993, "Implied Probabilities in GMM Estimators," *Econometrica* **61**, 971–975.
13. Back, K., 1993, "Asymmetric Information and Options," *Review of Financial Studies* **6**, 435–472 (received 1993 best paper award from RFS).
14. Back, K., and J. F. Zender, 1993, "Auctions of Divisible Goods: On the Rationale for the Treasury Experiment," *Review of Financial Studies* **6**, 733–764 (reprinted in Klemperer, Paul, ed., *The Economic Theory of Auctions*, 2000, Edward Elgar).
15. Back, K., and H. Pedersen, 1998, "Long-Lived Information and Intraday Patterns," *Journal of Financial Markets* **1**, 385–402.
16. Dybvig, P. H., Rogers, L. C. G., and K. Back, 1999, "Portfolio Turnpikes," *Review of Financial Studies* **12**, 165–195.
17. Back, K., Cao, H., and G. Willard, 2000, "Imperfect Competition among Informed Traders," *Journal of Finance* **55**, 2117–2155 (nominated for Smith-Breeden award).
18. Back, K., and J. Zender, 2001, "Auctions of Divisible Goods with Endogenous Supply," *Economics Letters* **73**, 29–34.
19. Back, K., and S. Baruch, 2004, "Information in Securities Markets: Kyle Meets Glosten and Milgrom," *Econometrica* **72**, 433–465.
20. Back, K., and S. Baruch, 2007, "Working Orders in Limit Order Markets and Floor Exchanges," *Journal of Finance* **61**, 1589–1621.
21. Back, K., and D. Paulsen, 2009, "Open Loop Equilibria and Perfect Competition in Option Exercise Games," *Review of Financial Studies* **22**, 4531–4552.

OTHER
PUBLICATIONS

1. Back, K., 1991, "Review of *Prices in Financial Markets* by Michael U. Dothan," in *Review of Financial Studies* **4**, 221-226.
2. Back, K., 1994, "Review of *Dynamic Asset Pricing Theory* by Darrell Duffie," in *Journal of Economic Literature* **32**, 708-9.
3. Back, K., 1995, "Continuous Trading with Asymmetric Information and Imperfect Competition," in M. Davis, D. Duffie, W. Fleming, and S. Shreve, eds., *Mathematical Finance*, IMA Volumes in Mathematics and its Applications, Springer-Verlag.
4. Back, K., 1996, "Yield Curve Models: A Mathematical Review," in I. Nelkin, ed., *Option Embedded Bonds: Price Analysis, Credit Risk and Investment Strategies*, Irwin, 3-36.
5. Back, K., 2004, "Incomplete and Asymmetric Information in Asset Pricing Theory," in M. Frittelli and W. Runggaldier, eds., *Stochastic Methods in Finance*, Lecture Notes in Mathematics, Springer.
6. Back, K., and S. Baruch, 2010, "The Kyle Model," in R. Cont, ed., *Encyclopedia of Quantitative Finance*, Wiley.
7. Back, K., 2010, "Martingale Pricing," *Annual Review of Financial Economics* **2**, 235–250.

EDITORIAL
POSITIONS

Current

- Co-Editor, Finance and Stochastics, 2001 –
- Associate Editor, Journal of Finance, 2003 –
- Associate Editor, Mathematics and Financial Economics, 2006 –

Prior

- Editor, Review of Financial Studies, 1994–97.
- Associate Editor, Review of Financial Studies, 1992–1994.
- Associate Editor, Journal of Economic Theory, 1993–1996.
- Associate Editor, Journal of Economic Dynamics and Control, 1995–1996.
- Associate Editor, Mathematical Finance, 1990–1996.

PH.D.
COMMITTEES
CHAired AND
INITIAL
PLACEMENTS

Washington University in St. Louis

- Hal Pedersen (Georgia State)
- Shmuel Baruch (London Business School)
- Tao Li (Chinese University of Hong Kong)
- Chris Yung (University of Colorado)

Texas A&M University

- Philipp Illeditsch (Wharton School, University of Pennsylvania)

TEACHING
AWARDS

- Executive M.B.A. Reid Teaching Award, Olin School of Business, 1997.
- Professional M.B.A. Reid Teaching Award, Olin School of Business, 1998.
- Executive M.B.A. Reid Teaching Award, Olin School of Business, 1999.
- Executive Masters in Manufacturing Management Reid Teaching Award, Olin School of Business, 2001.

OTHER AWARDS
AND HONORS

Batterymarch Fellow, 1991-92.
Best paper in *Review of Financial Studies* in 1993: “Asymmetric Information and Options.”
Washington University Distinguished Faculty Member, 1999.
Kentucky Economic Association Distinguished Economist, 2000.
Mays Business School Outstanding Research Award, 2007.

SOFTWARE

SimX, written with Shmuel Baruch, 2010. This package consists of a server (the exchange) and client (for traders). The server is an Erlang program that runs in the Erlang shell and operates an open limit order book for a single stock. Students connect via the client from their computers to the Erlang server and use the client to submit and cancel limit orders. Simulations can be run with numerous options concerning the frequency, size and distribution of automated noise and news trades. Students participate in the simulations as dealers or as traders with assigned trades to execute. Performance is measured for dealers in terms of risk-adjusted gains and for traders relative to the volume weighted average price.

OTHER
PROFESSIONAL
ACTIVITIES

AFA Editor Search Committee, 2010 –
AFA Director Nomination Committee, 1994.
Doctoral Consortium Panelist, Financial Management Association, 1994.
Short Course on Mathematics of Finance, SIAM Annual Meeting, 1996.
Program Committee
Utah Winter Finance Conference, 2003 –
Financial Intermediation Research Society, 2007 –
Financial Management Association, 1992.
American Finance Association, 1999, 2002.
Western Finance Association, 1995–98, 2002.