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Education

Ph.D. Economics, University of Chicago, Graduate School of Business, 2001.

Norwegian School of Economics and Business Administration (Norges Handelshøyskole) Masters in Economics and Business, (1997)

Norwegian School of Management (Handelshøyskolen BI), Master of Management (Siviløkonom) (1995)

Academic Positions

Professor of Finance — 2017-present
Bill Nygren Chair in Investments
Wisconsin School of Business — Department of Finance

Associate Professor of Finance — 2008–2017
Wisconsin School of Business — Department of Finance

Assistant Professor of Economics — 2001–2008
Duke University — Department of Economics

Assistant Professor of Finance — 2001–2008
Duke University — Department of Finance
Secondary appointment

Publications

1. "The Price of Higher Order Catastrophe Insurance: The Case of VIX Options." January 2020. With Aoxiang Wang. *Journal of Finance.* Forthcoming.
2. "The Volatility Premium," *Quarterly Journal of Finance*, 2021, forthcoming.
3. "Explaining the Negative Returns to VIX Futures and ETNs: An Equilibrium Approach." With Yue Wu. *Journal of Financial Economics.* 2017. 125, 72-98.
4. Eraker, Bjørn, Ivan Shaliastovich and Wenyu Wang, "Durable Goods, Inflation Risk and Equilibrium Asset Prices." With Ivan Shaliastovich and Wenyu Wang. *Review of Financial Studies*, 2016, 29(1), 193-231.
5. Eraker, Bjørn, and Jiakou Wang, "A Non-Linear Dynamic Model of the Variance Risk Premium," *Journal of Econometrics*, 2015, 187, 547-556
6. Eraker, Bjørn, Ching Wai Chiu, Andrew Foerster, Tae Bong Kim and Hernan Seoane"Bayesian Mixed Frequency VAR's," 2014. *Journal of Financial Econometrics.* 2015, 13 (3), 698-721

7. Eraker, Bjørn and Mark Ready, "Do investors overpay for stocks with lottery-like payoffs? An examination of the returns of OTC stocks," *Journal of Financial Economics*, 2015, 115(3), 486-504
8. Eraker, Bjørn, "The Performance of Model Based Option Trading Strategies,"," *Review of Derivatives Research*, 2013, 16(1), 1-23
9. Eraker, Bjørn, "Affine General Equilibrium Models," *Management Science*, 2008, 54-12, p. 2068-2080.
10. Eraker, Bjørn, "A Bayesian View of Temporary Components in Asset Prices," *Journal of Empirical Finance*, 2008, Vol 15, Issue 3, p. 503-517.
11. Eraker, Bjørn and Ivan Shaliastovich, "An Equilibrium Guide to Designing Affine Pricing Models," *Mathematical Finance*, 2008, 18-4, p. 519-543.
12. Eraker, Bjørn, "Do Stock Prices and Volatility Jump? Reconciling Evidence from Spot and Option Prices," *Journal of Finance*, 2004, 59, p. 1367-1403
13. Eraker, Bjørn, Michael Johannes, and Nicholas G. Polson, "The Impact of Jumps in Returns and Volatility", *Journal of Finance*, 2003, 53, p. 1269-1300
14. Eraker, Bjørn, "MCMC Analysis of Diffusion Models with Application to Finance," *Journal of Business and Economic Statistics*, vol 19-2, April 2001, p. 177-191
15. Eraker, Bjørn, "Comment on "Numerical Techniques for Maximum Likelihood Estimation of Continuous-Time Diffusion Processes" by G. B. Durham and A. R. Gallant, 2002, *Journal of Business and Economic Statistics*, 20, p. 327-329

Working Papers

16. "Dynamic Present Values and the Intertemporal CAPM." 2012. With Wenyu Wang.
17. "Tests of Conditional Asset Pricing Models: A Critique." Working paper, Nov 2016.
18. "Predictability Puzzles." Working paper, Updated January 2021. R&R at *Journal of Financial and Quantitative Analysis*
19. "Market Maker Inventory, Bid/Ask Spreads, and the Computation of Option Implied Risk Measures." January 2020. With Daniela Osterrieder.

Awards and Grants

2012 Best Paper in Asset Pricing, Midwest Finance Association

25 Most Cited Paper List in the Journal of Finance, 2004-2012

Fall Research Competition Grant, 2017-2018, *Option Liquidity and the Variance Risk Premium*. With I. Shaliastovich.

Citations

Google scholar: 4,630

Teaching

Courses taught at University of Wisconsin:
Fin 330. Derivatives. 2016-present.

Fin 972. Special topics: Empirical Asset Pricing. Spring 2010-present.

Fin 365 and 740, Fixed Income. Wisconsin School of Business. 2008-2016.

Courses taught at Duke University:
Econ 157/257, Financial Markets and Investments. Undergrad and Masters level course at Duke University. Primary Instructor. 2001-2008.

Econ 201FS. Undergraduate Research Seminar. Joint with George Tauchen and Tim Bollerslev.

Econ 342, Econometrics II - Introduction to Bayesian Econometrics. Ph.D. course. Primary Instructor. Joint with George Tauchen, Han Hong. 2001-2007.

Econ 395, Special topics in Econometrics. Ph.D. course. Primary Instructor. Joint with George Tauchen, Han Hong. 2001-2007.

Econ 395. Bayesian Econometrics. Ph.D course. Primary Instructor. Spring 2008.

Ph.D committees chaired:
Present: Aoxiang Yang

Past: Tiantian Gu (Northeastern Univ.), Alex Boquist (U. of Oklahoma), Jiakou Wang (Citigroup), Wenyu Wang (Indiana) Yue Wu (Moodys).

Ph.D committees ad-hoc member:

Jon Tang, Alan Bester, Julia Litvinova, Frank Ryan, Ming Guo, Ed Fang, Varoujan Khatchatrian, Hong Leng Chuah, Alessandro Palandri, Meg Cheng (UNC), Bin Wei (Fuqua), Maxym Dedov, Natalia Sizova, Nataliya M. Khmilevska, Christoffer Bengtsson (Lund, Sweeden), Mark Leary (Fuqua), Tor Erik Bakke (UW), Zhongyan Zho (Indiana),

Service

Recruiting chair 2012-2016

PhD program chair 2008-2013

Social Science Fall Research Competition (2014).

Track Chair Midwest Finance Association Annual Meeting, 2020, 2021,2022.

Board Member at Midwest Finance Association, 2016-present.

Editor: Associate Editor at *Review of Derivatives Research* (2015-present).

Journal Referee: Annals of Statistics, Computational Statistics and Data-Analysis, Biometrika, Econometrica, European Finance Review, Finance Research Letters, Journal of Applied Econometrics, Journal of Banking and Finance, Journal of Business, Journal of Business and Economic Statistics, Journal of Computational and Graphical Statistics, Journal of Econometrics, Journal of Empirical Finance, Journal of Finance, Journal of Financial Economics, Journal of Financial Intermediation, Journal of International Money and Finance, Journal of Futures Markets, Management Science, Mathematical Finance, Review of Economics and Statistics, Review of Economic Studies, Review of Financial Studies, and Quantitative Finance.