Currency Prices, the Nominal Exchange Rate, and Security Prices in a Two-Country Dynamic Monetary Equilibrium
Suleyman Basak and Michael Gallmeyer

Term Structure Models Driven by General Lévy Processes
Ernst Eberlein and Sebastian Raible

Step Options
Vadim Linetsky
Editorial Policy

*Mathematical Finance* will publish articles that investigate the interface between mathematics and finance. Financial theory, financial engineering, and related mathematical and statistical techniques are examples of suitable topics. The mathematics, which need not be at an advanced level, must be interesting and carefully presented in a rigorous manner.

Papers in financial theory may involve stochastic processes, game theory, optimization theory, or similar topics in the mathematical sciences. Papers in financial engineering will be similar but emphasize the development of practical tools and products for the financial industry.

The journal also seeks papers on new statistical methods suited for the analysis of financial problems. Empirical results will be appropriate to the extent that they illustrate a statistical technique, enrich an example, or validate a model. However, papers whose significance rests on empirical results that are derived with standard approaches will not be suitable. Similarly, papers that present simulation results or computation experience with algorithms are encouraged, provided these results are in support of theoretical developments.

While every paper will involve mathematics, each paper must make clear its contribution to finance. The risky paper that is highly innovative and seeks to provide fundamental results will be encouraged. The paper that only uses advanced mathematics in routine ways will be eschewed.

In summary, *Mathematical Finance* will serve as a forum for bringing together financial researchers, financial practitioners, and mathematical scientists.

Submitted papers will be screened by one of the three editors. A paper that is clearly unsuitable will be returned immediately to the author. Otherwise, an associate editor will conduct the primary evaluation. This associate editor may seek the opinions of outside reviewers who usually will be aware of the identity of the author. The associate editor will then prepare a recommendation for the editors. If the recommendation is to revise or reject the paper, then normally this will be the final decision. At least two of the three editors may be in favor of acceptance for publication to occur.

Editorial Board members and editors are welcome to submit papers to the journal. The review process for Editorial Board members’ papers will remain the same as outlined above. For the editors, however, the other editors will direct the review process and their decision will be reviewed by the Advisory Board.
Submission of Manuscripts to Mathematical Finance

Send four copies of the manuscript to one of the three editors. The contents must represent original and unpublished work and the paper should not be considered for publication elsewhere. There is no submission charge.

Use standard paper and type on only one side. Double-space all lines, including footnotes and references. The title page should include the authors, their affiliations, key words, and a short abstract. Acknowledgments, if any, should appear on the title page as a footnote.

Begin with an introductory section that briefly summarizes the main results and explains the paper’s significance and contribution to finance. This introduction should be accessible to the knowledgeable reader who perhaps does not thoroughly understand the mathematics used in the paper. Indeed, without sacrificing precision and rigor, authors using considerable mathematics must make a special effort to facilitate the communication of their technical results. For instance, proofs can be accompanied by remarks that help the reader develop intuition about the underlying arguments, and examples can illuminate important concepts.

Results should be presented in a careful and mathematically rigorous fashion. A theorem-proof format may be appropriate, in which case the proofs can immediately follow the corresponding theorems or be placed in an appendix. All items, except main headings, requiring numbers should be double-numbered by sections, each presented as a separate paragraph (e.g., Lemma 2.1); the statements themselves should be in italics. If it is necessary to number a displayed equation, it should be double-numbered (by section) on the left. Mathematical symbols should be in italics unless, of course, another typeface is necessary (e.g., boldface, roman). A short concluding section may be useful for summarizing the technical results in a qualitative fashion.

The backmatter should appear as follows: appendix (if any), references, footnotes (if any) numbered consecutively starting with 1, and, finally, any tables and figures, which should be high-quality reproductions.

References should be cited in the text by author and (in parentheses) year of publication. References at the end of the manuscript should be arranged alphabetically by author and follow the style of these examples:

