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Roger Lee* (RL@math.uchicago.edu) and **Peter Carr**. *Volatility Derivatives on Time-Changed Levy Processes*.

Under stochastically time-changed Levy dynamics, we price volatility derivatives in terms of Europeans. Extending previous work of Carr-Lee, we time-change a general Levy process – including jumps – and we find exact pricing solutions under dynamics which generate asymmetric volatility skews. (Joint with Peter Carr) (Received September 16, 2008)