My thanks go to Charles Jones for providing me with an introduction to Myles Thompson at Columbia University Press. After our first hour-long discussion about the concept of this book, Myles decided we needed to have another discussion on the very same day. His passion for this book has been both inspirational and flattering, and he has been a terrific partner in its production. Bridget Flannery-McCoy has provided both patient and careful editorial assistance. She and others on the staff of Columbia University Press helped make this book possible. At Westchester Book Group I am grateful to Susan Baker, Lyndee Stalter, and the staff for their friendly and thorough help, and Susan Badger for her superb copy editing. Special thanks to Lawrence Shire (one of the best pitchers I know) and Jonathan Ehrlich for always steering me in the right direction.

Although they did not contribute directly to the book itself, the following people helped to further my understanding of many of its topics: J. Richard Blewitt, Russell Church, Bill Demchak, Dana Erwin, Sean Kavanagh, Richard Leibovitch, Bill Parsley, Glenn Weinstein, and especially Stephen Blyth. Stephen has a unique ability to explain complex concepts in an intuitive and easy-to-understand manner that has greatly influenced the way in which I have presented some of the material here. In particular, the exposition on convexity adjustments in Chapter 6 is based largely on discussions I have had with Stephen over the years. I appreciate his sharing some of his many insights with me.
ACKNOWLEDGMENTS


I am deeply grateful to a number of people who deserve special thanks for reading extensive portions of the manuscript, including Mark Broadie, Floyd Converse, Brett Dunn, Jan Ericsson, Graig Fantuzzi, Martin Haugh, Adrian Kayari, John Lima, Michael Lustig, Lior Menzly, Scott Peng, Fidelio Tata, Colin Teichholtz, and James P. Tully. They offered helpful comments and suggestions along the way and provided numerous corrections. Mark Scott was extremely generous with his time, helping to make the numerous figures in the text presentable. I learned to stop asking “How did he do that?” a long time ago and just accept his wizardry. Elizabeth Anderson carefully read the manuscript and offered many suggestions for improvement. I alone am responsible for all remaining errors.

The vast majority of data used in this book have been generously provided by Morgan Stanley and are used with their permission, and my special thanks go to Jim Caron and his team for their assistance. Peter Keith and Marcia Casal from mtn-i and Peter Fischbach of Thomson Reuters graciously helped with collecting data. Kind support also came from Billy Hult and Lee Olesky of Tradeweb Markets LLC.

Finally, and most of all, I thank my family for their support during the writing of this book. This book would not have been possible if it were not for my wife Laura. She was there at my side offering encouragement when I wrote the first chapter nearly 16 years ago and was the one I turned to over a dozen years later for more encouragement when I thought I could never finish. She has truly been a selfless partner in this, and for that I am grateful. Isabel, at age 6, was steadfast in her resolve that this book should be written for students. According to Isabel, there are two types of grown-ups in the world, workers and students, and books should be written to help students learn. Her insight greatly influenced the aim of this book. Alex, at age 8, was very supportive, typing several of the words in the manuscript himself and taking a copy of the manuscript to school to read during a half hour of free time he had one day.