

1099-60-11

Robert G Smits* (rsmits@nmsu.edu), Department of Mathematical Sciences, P.O. Box 30001, Department 3MB, Las Cruces, NM 88003. *A Cox-Ingersoll-Ross type Model with Subexponential Return Times.*

I present a model for short term interest rates which has many of the features of the CIR model but with the advantage of having return times which are not heavy tailed. The model is analyzed by a change of measure where the associated large deviation problem can be solved by solving a singular problem in the calculus of variations. (Received November 03, 2013)