Burton Hollifield

PNC Professor of Financial Economics
Head, Undergraduate Business Programs
Tepper School of Business
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Areas of specialization

Market Microstructure, Asset Pricing, Portfolio Theory, Empirical Methods, Financial Intermediation.

Appointments held

1991-1998	Assistant Professor of Finance, Faculty of Commerce, University of British Columbia
1994-1995	Visiting Assistant Professor of Finance, Carnegie Mellon University
1998-2008	Associate Professor of Financial Economics, Tepper School of Business, Carnegie Mellon University
2008-	Professor of Financial Economics, Tepper School of Business, Carnegie Mellon University
2012-	PNC Professor of Financial Economcs, Tepper School of Business, Carnegie Mellon University
2015-	Academic Head, Tepper Undergraduate Business Program

Education

1984	B Comm. Information Systems, University of Calgary
1987	MA Economics, Queens University at Kingston
1989	Msc in Financial Economics,Tepper School of Business, Carnegie Mellon University
1992	PhD in Financial Economics,Tepper School of Business, Carnegie Mellon University

Service to the profession

1998-2001	Associate Editor, *Management Science*
2000-2003	Associate Editor, *Journal of Finance*
2003-2008	Associate Editor, *Journal of Economics Dynamics and Control*
2006-2013	Associate Editor, *Journal of Financial Intermediation*
2006-2010	Associate Editor, *Review of Finance*
2010-2017	Co-Editor, *Review of Finance*
2007-2013	Foreign Editor, *Review of Economic Studies*
2008-2012	Associate Editor, *Journal of Finance*

2010- Board Member, Carnegie Rochester Conference on Public Policy

2017-2020 Board Member, Western Finance Association

2019 Local organizer, Society for Financial Studies Cavalcade in Pittsburgh PA, with L. Kuehn and C. Spatt.

Awards and Honors

Research

1992 Nominated for Smith Breeden Prize, Best Paper in Journal of Finance, for When will mean-variance portfolios be well-diversified? with Richard Green

1995 Chicago Board Options Exchange Best paper on futures and options on futures, 1995, Western Finance Association Meetings for 'An examination of uncovered interest parity in segmented commodity markets,' with Raman Uppal.

1997 Nominated for Smith Breeden Prize, Best Paper in Journal of Finance, for 'Defensive mechanisms and managerial discretion' with Ronald Giammarino and Robert Heinkel

1995-1997 Geert Family Foundation Chair, UBC.

1997-98 Vancouver Stock Exchange Chair, UBC.

2002 Barclay's Global Investors Award for Best Paper, European Finance Association Meetings, for 'An examination of heterogeneous beliefs with a short sale constraint, with Michael Gallmeyer.

2005 NYSE Equity Trading Award for best paper in equity trading, Western Finance Association Meetings, for 'Liquidity discovery and asset pricing,' with Michael Gallmeyer and Duane Seppi.

2012- PNC Professorship in Finance, Tepper School of Business, Carnegie Mellon University.

Teaching

1997 UBC MBA/MSC Teaching Excellence Award, 1997, chosen by the MBA students

2007 Tepper School of Business Teaching Award in the Undergraduate B.S. Business Administration Program

2009 George Leland Bach Teaching Award in the MBA Program, Tepper School of Business, chosen by the MBA graduating class of 2009

Publications

'Municipal bond markets,' with Dario Cestau, Dan Li, and Norman Schürhoff, *Annual Review of Financial Economics*, Spring 2020.

'Preventing Controversial Catastrophes' with Steven Baker and Emilio Osambela, *Review of Asset Pricing Studies*, Spring 2020.

'Term Premium Dynamics and the Taylor Rule,' with Mike Gallmeyer, Francisco Palomino, and Stanley Zin, *Quarterly Journal of Finance*, 2018

'Bid-Ask Spreads, Trading Networks and the Pricing of Securitizations: 144a vs. Registered Securitizations' with A. Nekyludov and C. Spatt, *Review of Financial Stiudies*, 2017.

'Disagreement, Speculation, and Aggregate Investment,' with Steven Baker and Emilio Osambela, *Journal of Financial Economics*, 2016.

'Time-varying Predictability in Mutual Fund Returns' with Vincent Glode, Marcin Kacperczyk, and Shimon Kogan, forthcoming as a chapter in the book "Behavioral Finance: Where do Investors' Biases Come From?," edited by Itzhak Venezia.

'How subprime borrowers and mortgage brokers shared the pie,' Antje Berndt, Burton Hollifield, and Patrik Sandas, *Real Estate Economics,* 2015.

'Comments on Robustly Optimal Monetary Policy in a Microfounded Model' *Journal of Monetary Economics,* 2012.

'Comments on Did the Federal Reserve's MBS Purchase Program Lower Mortgage Rates?', *Journal of Monetary Economics,* 2011.

Defining bad news: changes in return distributions that decrease risky-asset demand,' Burton Hollifield and Alan Kraus, *Management Science,* 2009.

'An examination of heterogeneous beliefs with a short sale constraint,' Michael Gallmeyer and Burton Hollifield, *Review of Finance*, 2008.

'Dealer intermediation and price behavior in the aftermarket for new bond issues,' Richard Green, Burton Hollifield, and Norman Schürhoff, *Journal of Financial Economics*, 2007.

'Financial intermediation and the costs of trading in a opaque market,' Richard Green, Burton Hollifield, and Norman Schürhoff, *Review of Financial Studies,* 2007.

'Arbitrage-free bond pricing with dynamic macroeconomic models,' Michael Gallmeyer, Burton Hollifield, Francisco Palomino, and Stanley Zin, *Federal Reserve Bank of St. Louis Review*, 2007.

'Estimating the gains from trade in limit order markets,' Burton Hollifield, Robert Miller, Patrik Sandås and Joshua Slive, *Journal of Finance,* 2006.

'Taylor rules, McCallum rules, and the term structure of interest rates,' Summer 2005, Michael Gallmeyer, Burton Hollifield, and Stanley Zin, *Journal of Monetary Economics*, 2005.

'Empirical analysis of limit order markets,' Burton Hollifield, Patrik Sandås, and Robert Miller, *Review of Economic Studies,* 2004.

'Corporate decisions, information and prices: Do managers move prices or do prices move managers?,' Ronald Giammarino, Robert Heinkel, Burton Hollifield, and Kai Li, *Economic Notes, Conference Volume in Honor of Michael Brennan,* 2004.

'A Bayesian analysis of a decomposition for stock returns,' Burton Hollifield, Kai Li, and Gary Koop, *Journal of Empirical Finance,* 2003.

'The personal tax advantages of equity,' Richard Green, and Burton Hollifield, *Journal of Financial Economics,* 2003.

'Comments on How Wacky is NASDAQ' *Journal of Monetary Economics,* 2001.

'An examination of uncovered interest parity in segmented commodity markets,' Burton Hollifield, and Raman Uppal, *Journal of Finance,* 1997.

'Managerial discretion and defensive measures,' Ronald Giammarino, Robert Heinkel, and Burton Hollifield, *Journal of Finance,* 1997.

'Investment and insider trading,' Dan Bernhardt, Burton Hollifield, and Eric Hughson, *Review of Financial Studies*, 1995.

'Anonymous trading and corporate decisions,' Ronald Giammarino, Robert Heinkel, and Burton Hollifield, *Journal of Financial and Quantitative Analysis,* 1994.

'When will mean variance efficient portfolios be well diversified?,' Richard Green and Burton Holllifield, *Journal of Finance,* 1992.

Completed working papers

'The Maturity Structure of Inside Money,' with A. Zetlin-Jones.

'What Broker Charges Reveal About Mortgage Risk' with Antje Berndt, and Patrik Sandås.

'Asset prices and portfolios with externalities,' with S. Baker and Emilio Osambela.

'Identifying Muni Underwriting Costs: Auctions vs Negotiations,' with D. Cestau, R. Green, and N. Schuerhoff.

'Should governments prohibit the negotiated sales of municipal bonds,' with D. Cestau, R. Green, and Norman Schuerhoff.

'Financial leverage and the leverage effect: A market and firm analysis,' Cevdet Aydemir, Michael Gallmeyer, and Burton Hollifield.

'The foreign exchange risk premium: Real and nominal factors,' with Amir Yaron.

'Throwing good money after good,' with Dan Bernhardt and Eric Hughson.

'Demand Discovery and Asset Pricing,' with Michael Gallmeyer and Duane Seppi.

'Computing Optimal Portfolios: Utility Meets Robustness,' with Nan Xiong.

Grants and Contracts

1992-96 SSHRCC major grant, principal co investigator with Ronald Giammarino
1997-00 SSHRCC major grant, principal investigator, Trading in Limit Order Markets
1997-00 SSHRCC major grant, principal co investigator, Alan Kraus
2000 Carnegie Bosch Grant
2004 Morgan Stanley Microstructure Grant, with Michael Gallmeyer and Duane Seppi
2007-10 Research collaborator on the NSF grant: Financial markets as an empirical laboratory to study an evolving ecology of human decision making, principal investigators: J. Doyne Farmer (Santa Fe Institute), Andrew Lo (MIT), Rosario Mantega (Palermo) and Jon Wilkins (Santa Fe Institute).

PhD Student Supervision

At Carnegie Mellon

2019 Eric Siyu Lu (Cornstore, completed 2019)
Santiago Telez (Chair, thesis committee)
William Bednar (member, thesis committee)

2018 Diana Mikhail (summer paper reader)
Emilio Bisetti (HKUST, completed 2018)

Rick Paul (ITAM, Mexico, completed 2018)
Federico Gonzalez (Member, thesis committee, statistics, completed 2018)

2017 Camilio Botia (Chair, Deloitte Consulting)
Maxime Roy (Chair)(OCC)
Eric Siyu Lu, (Chair) (In progress)

2016 Emilio Bisetti, (2018)
Rick Paul, (2018)
Maxime Roy (2018)
William Bednar (Summer paper reader)
Federico Gonzalez (Member, thesis committee, statistics)

2015 Camilio Botia (Chair, in progress)
Jessie Wang (Chair) (Arizona State University)
Nan Xiong (Chair, in progress)
Carlos Ramirez (Committee member, in progress)
Rick Paul (Summer paper reader)
Maxime Roy (Chair, in progress)

2014 Batchimeg Sambailablat (Co-Chair, Thesis Committee) (University of Oklahoma)

2013 Artem Neklyudov (Chair, Thesis Committee) (HEC Lausanne)
Steven Baker (Member, Thesis Committee) (UVA)
Camilo Botia (Summer paper reader)
Carlos Ramirez (Summer paper reader)

2011 Federico Gavazzoni (Member, Thesis Committee) (INSEAD)

2009 Vincent Glode (Member, Thesis Committee) (University of Pennsylvania)
Antonio Barbosa (Chair, Thesis Committee)
Richard Lowery (Member, Thesis Committee) (University of Texas at Austin)

2007 Roni Israelov (Chair, Thesis Committee) (Lehman Brothers)
Francisco Palomino (Co-Chair, Thesis Committee) (University of Michigan)
Dan Li (Member, Thesis Committee) (Board of Governors, Federal Reserve)
TJ Liu, (Member, Thesis Committee) (Arizona State)
Iulian Objreja (Member, Thesis Committee) (University of Colorado)

2005 Cevdet Aydemir (Chair, Thesis Committee) (Lehman Brothers)

2004 Norman Schürhoff (Member, Thesis Committee) (HEC Lausanne)

2003 Joshua Mindel (Member, Thesis Committee) (University of San Francisco)

2002 Aydogan Alti (Member, Thesis Committee) (UT Austin)
Bernardo Paasche (Member, Thesis Committee)(IMF)

2001 Yaniv Grinstein (Member, Thesis Committee) (Cornell University)

2000 Ulf Axelson (Member, Thesis Committee) (Stockholm School of Economics)

1998 Patrik Sandås (Member, Thesis Committee) (University of Virginia)

At University of British Columbia

2003 Joshua Slive (Member, Thesis Committee) (HEC, Montreal)

2000 Jinhan Pae (Member, Thesis Committee) (Ohio State University)
N. Bhattacharya (Member, Thesis Committee) (University of Alaska)

1998 Murray Carlson (Co Chair, Thesis Committee) (UBC)
Nathalie Moyen (Co Chair Thesis Committee) (University of Colorado)
Patrick Savaria (Co Chair, Thesis Committee) (Laval University)

1996 David Downie (Co Chair, Thesis Committee) (Royal Bank of Canada)
Henry Thille (Member, Thesis Committee (Guelph University)

1997 Khang Min Lee (Member, Thesis Committee) (National University of Singapore)
Mary Kelly (Member, Thesis Committee) (Wilfred Laurier University)

1994 Jim Clayton (Member, Thesis Committee) (University of Cincinatti)

Teaching

Undergraduate

Investment Analysis; Introductory Finance; Options

Masters Level

Investment Analysis; Fixed Income; Risk Management; Studies in Corporate Finance (case class in corporate finance); Financial Bubbles, Crises, and and Panics; Finance II

PhD

Empirical Asset Pricing; Empirical Corporate Finance; Theoretical Corporate Finance; Market Microstructure, Financial Intermediation; Theory of Finance.

Last updated: March 26, 2020