

## **CURRICULUM VITAE**

Current position: **Ira Leon Rennert Professor of Entrepreneurial Finance,  
Stern School of Business, New York University.**

### **Academic Training:**

- 1975 Doctor of Philosophy in Business Administration, New York University,  
Graduate School of Business Administration.  
Major areas: Economics and Quantitative Analysis.
- 1973 Master of Science in Business Administration, New York University,  
Graduate School of Business Administration.
- 1969 Bachelor of Social Science, Hebrew University, Jerusalem, Israel.  
Major areas: Economics and Political Science.

### **Honors:**

- 2016 Honorary Doctorate of Economics, University of St. Gallen, Switzerland.

## **PUBLICATIONS**

### **Book**

Market Liquidity: Asset Pricing, Risk and Crises (with H. Mendelson and L.H. Pedersen).  
Cambridge University Press, 2013.

### **Articles in journals**

1. “The effect of stock liquidity on the firm’s investment and production” (with Shai Levi).  
*Review of Financial Studies* (forthcoming).
2. “The Pricing of the Illiquidity Factor Conditional Risk with Time-varying Premium” (with J. Noh), Journal of Financial Markets 56, 2021, 1-17. (Lead paper.)
3. “Illiquidity and Stock Returns – II: Cross-section and Time-series Effects” (with J. Noh),  
Review of Financial Studies 34, 2021, 2101-2123.

4. "Is the Staggered Board Debate Really Settled? a Coda" (with M. Schmid and S. D. Solomon), University of Pennsylvania Law Review (online) 168, 2020, 113-127.
5. "Illiquidity and Stock Returns: A Revisit", Critical Finance Review 8, 2019, 203-221.
6. "Settling the Staggered Board Debate" (with M. Schmid and S. D. Solomon), University of Pennsylvania Law Review 166, 2018, 1477-1512.
7. "Do Staggered Boards Harm Shareholders?" (with S. Stoyanov), Journal of Financial Economics 123, 2017, 432-439.
8. "The Illiquidity Premium: International Evidence" (with A. Hameed, W. Kang and H. Zhang), Journal of Financial Economics 117, 2015, 350-368.
9. "The Pricing of Illiquidity as a Characteristic and as a Factor" (with H. Mendelson), Multinational Finance Journal 19, 2015, 149-168.
10. "Liquidity Risk of Corporate Bond Returns: A Conditional Approach" (with V. Acharya and S. Bharath), Journal of Financial Economics 110, 2013, 358-386.
11. "Mutual Fund's  $R^2$  as Predictor of Performance" (with R. Goyenko), Review of Financial Studies 26, 2013, 667-695.
12. "Creditor Rights and Corporate Risk Taking" (with V. Acharya and L. Litov), Journal of Financial Economics 102, 2011, 150-166.
13. "Predictive Regression with Order- $p$  Autoregressive Predictors" (with C. Hurvich and Y. Wang). Journal of Empirical Finance 17, 2010, 513-525.
14. "Multiple-Predictor Regressions: Hypothesis Testing" (with C. Hurvich and Y. Wang). Review of Financial Studies 22, 2008, 414-434.
15. "The Declining Information Content of Dividend Announcements and the Effect of Institutional Holdings" (with K. Li). Journal of Financial and Quantitative Analysis 41, 2006, 637-660.
16. "Stock and Bond Liquidity and its Effect on Prices and Financial Policies" (with H. Mendelson), Financial Markets & Portfolio Management 20, 2006, pp. 19-32.
17. "Liquidity and Asset Prices" (with H. Mendelson and L. Pedersen), *Foundations and Trends in Finance*, NOW Publishers, 2005.
18. "Predictive Regressions: A Reduced-Bias Estimation Method" (with C. Hurvich). Journal of Financial and Quantitative Analysis 39, 2004, 813-841.

19. "The Foundations of Freezeout Laws in Takeovers" (with M. Kahan and M. Sundaram), Journal of Finance 59, 2004, 1325-1344.
20. "Political News and Stock Prices: The Case of Saddam Hussein Contracts" (with A. Wohl). Journal of Banking and Finance 28, 2004, 1185-2000.
21. "The Value of Trading Consolidation: Evidence from the Exercise of Warrants" (with B. Lauterbach and H. Mendelson), Journal of Financial and Quantitative Analysis 38, 2003, 829-846.
22. "Allocations, Adverse Selection and Cascades in IPOs: Evidence from the Tel Aviv Exchange" (with S. Hauser and A. Kirsh), Journal of Financial Economics 68, 2003, 137-158.
23. "The Effects of Cross-Border Bank Mergers on Bank Risk and Value" (with G. DeLong and A. Saunders), Journal of International Money and Finance 21, 2003, 857-877.
24. "Illiquidity and Stock Returns: Cross-Section and Time Series Effects," Journal of Financial Markets 5, 2002, 31-56.
25. "A New Governance Structure for Corporate Bonds" (with K. Garbade and M. Kahan), Stanford Law Review 51, 1999, 447-492.
26. "Does Corporate Ownership Structure Affect Corporate Diversification?" (with B. Lev), Strategic Management Journal 20, 1999, 1063-1069.
27. "Number of Shareholders and Stock Prices: Evidence from Japan" (with H. Mendelson and J. Uno), Journal of Finance 54, 1999, 1169-1184.
28. "Market Microstructure and Securities Values: Evidence from the Tel Aviv Stock Exchange" (with H. Mendelson and B. Lauterbach), Journal of Financial Economics 45, 1997, 365-390.
29. "Dividends, Taxes and Signaling: Evidence from Germany" (with M. Murgia), Journal of Finance 52, 1997, 397- 408.
30. "A New Approach to the Regulation of Trading Across Securities Markets" (with H. Mendelson), New York University Law Review 71, 1996, 1411-1466.
31. "Unexpected Inflation and Stock Return Revisited: Evidence from Israel" Journal of Money, Credit and Banking, 28, 1996, 22-33.
32. "Volatility, Efficiency and Trading: Evidence from the Japanese Stock Market" (with H. Mendelson), Journal of Finance 46, 1991, 1765-1789.

33. "Liquidity, Asset Prices and Financial Policy" (with H. Mendelson). Financial Analysts Journal 47, 1991, 1411-1425.
34. "Liquidity, Maturity and the Yields on U.S. Treasury Securities" (with H. Mendelson), Journal of Finance 46, 1991, 1411-1425.
35. "Stock Market Microstructure and Return Volatility: Evidence from Italy" (with M. Mendelson and M. Murgia), Journal of Banking and Finance, 14, 1990, 423-440. An Italian version is reprinted in Rivista della Borsa, 1990, 7-19.
36. "Liquidity and the 1987 Stock Market Crash" (with H. Mendelson and R. Wood), Journal of Portfolio Management, Spring 1990, 65-69.
37. "Corporate Control and the Choice of Investment Financing: The Case of Corporate Acquisitions" (with B. Lev and N. Travlos), Journal of Finance 45, 1990, 603-616.
38. "Explaining Intra-Day and Overnight Price Behavior: Comment" (with H. Mendelson), Journal of Portfolio Management, Winter 1990, 85-86.
39. "Index and Index-Futures Returns" (with H. Mendelson), Journal of Accounting, Auditing and Finance 4, 1989, 415-431.
40. "Market Microstructure and Price Discovery on the Tokyo Stock Exchange" (with H. Mendelson), Japan and the World Economy 1, 1989, 341-370. Reprinted in W.T. Ziemba, W. Bailey and Y. Hamao (eds.), Japanese Financial Market Research, 1991, North Holland Publishing.
41. "Inventory Behavior and Market Power" (with H. Mendelson), International Journal of Industrial Organization 7, 1989, 269-280.
42. "The Effects of Beta, Bid-Ask Spread, Residual Risk and Size on Stock Returns" (with H. Mendelson), Journal of Finance 44, 1989, 479-486.
43. "Liquidity, Volatility, and Exchange Automation" (with H. Mendelson), Journal of Accounting, Auditing and Finance 3, 1988, 369-395.
44. "Liquidity and Asset Prices: Financial Management Implications" (with H. Mendelson), Financial Management 17 (No. 1), 1988, 5-15.
45. "Are Trading Rule Profits Feasible?" (with H. Mendelson), Journal of Portfolio Management 14 (No. 1), 1987, 77-78.
46. "Trading Mechanisms and Stock Returns: An Empirical Investigation" (with H. Mendelson), Journal of Finance 42, 1987, 533-553.

47. "Asset Pricing and the Bid-Ask Spread" (with H. Mendelson), Journal of Financial Economics 17, 1986, 223-249. Reprinted in: Empirical Research in Capital Markets, G. William Schwert and Clifford W. Smith (eds.), McGraw Hill, 1991; and in Asset Pricing and Portfolio Performance: Models Strategy and Performance Metrics, Robert Korajczyk (ed.), Risk Books, 1999, 213-230.
48. "Conglomerate Mergers, Managerial Motives and Stockholders' Wealth" (with P. Dodd and M. Weinstein), Journal of Banking and Finance 10, 1986, 401-410.
49. "Liquidity and Stock Returns" (with H. Mendelson), Financial Analysts Journal 42, May/June 1986, 43-48.
50. "Inflation 'News' and Exchange Rates" (with A. Kalay), Economics Letters 12, 1983, 333-338.
51. "Price Smoothing and Inventory" (with H. Mendelson), Review of Economic Studies 50, 1983, 87-98.
52. "'Managerialism', 'Ownerism' and Risk" (with J. Kamin and J. Ronen), Journal of Banking and Finance 7, 1983, 189-196.
53. "Multiperiod Sales-Production Decisions Under Uncertainty" (with H. Mendelson), Journal of Economic Dynamics and Control 5, 1983, 249-265.
54. "Unexpected Inflation and Economic Activity", Economics Letters 9, 1982, 327-335.
55. "Relative Price Dispersion and Economic Shocks: An Inventory Adjustment Approach" (with H. Mendelson), Journal of Money, Credit and Banking 14, 1982, 390-398.
56. "Optimal Consumption Policy under Uncertain Income" (with H. Mendelson), Management Science 28, 1982, 683-697.
57. "Asset Price Behavior in a Dealership Market" (with H. Mendelson), Financial Analysts Journal 38, May/June 1982, 50-59.
58. "The Output-Inflation Relationship: An Inventory-Adjustment Approach" (with H. Mendelson), Journal of Monetary Economics 9, 1982, 163-184.
59. "The Forward Exchange Rate and the Prediction of the Future Spot Rate" (with T. Agmon), Journal of Banking and Finance 5, 1981, 425-437.
60. "Risk Reduction as a Managerial Motive for Conglomerate Mergers" (with B. Lev), The Bell Journal of Economics 12, 1981, 605-617. Excerpts reprinted in R. Gilson, The Law and Finance of Corporate Acquisitions; R. Romano, Economic Foundations of Corporate Law,

Oxford University Press, 1993; R. Romano, Foundations of Corporate Law, Foundation Press, 2010.

61. "Price Level Uncertainty, Indexation and the Level of Employment," Southern Economic Journal 47, January 1981, 776-787.
62. "Bond-Yield Uncertainty and the Demand for Money," Economics Letters, 1980, 63-69.
63. "Dealership Market: Market Making with Inventory" (with H. Mendelson), Journal of Financial Economics 8, 1980, 31-53.
64. "General Risk Aversion and Attitude Towards Risk", Journal of Finance 35, 1980, 685-691.
65. "Production under Uncertainty and the Cost of Insurance" (with T. Agmon), Journal of Economics and Business, 1979-1980, 268-271.
66. "A Possible Error in the Expectation Hypothesis: A Rejoinder", Journal of Money, Credit and Banking, 1981, 107-108.
67. "A Possible Error in the Expectations Hypothesis", Journal of Money, Credit and Banking 11, 1979, 243-245.
68. "Revenue vs. Profit Maximization: Reply" (with J. Kamin), Southern Economic Journal 46, 1980, 1224-1225.
69. "Revenue vs. Profit Maximization: Differences in Behavior by the Type of Control and by Market Power" (with J. Kamin), Southern Economic Journal, January 1979, 838-846.
70. "Uncertainty in Future Interest Rates and the Term Structure", Journal of Business Finance and Accounting 5, 1978, 49-56.
71. "A Note of the Measurement of Technological Progress and Experience in Production", American Journal of Agricultural Economics 59, 1977, 28-730.
72. "A Note on Risk Aversion and Indifference Curves", Journal of Financial and Quantitative Analysis, 1977, 509-513.
73. "A Note on Fisher Hypothesis and Price Level Uncertainty" (with A. Barnea), Journal of Financial and Quantitative Analysis, 1977, 525-530.
74. "The Effect of Uncertainty in Input Quantities on the Optimal Expected Input Combinations", Management Science 23, 1977, 957-962.

75. "The Efficiency of Taxes and subsidies in Reducing Emission by a Risk-Averse Firm", Kyklos 29, 1976, 113-117.
76. "Production under Uncertainty" (with D. Fischer), Zeitschrift fur Nationalokonomie 35, 1975, 301-316.
77. "Portfolio Selection for Managerial Control" (with A. Barnea), Omega 2, 1974, 775-783.

**Other articles:**

1. "The Effect of the Liquidity of the Firm's Securities on its Value (with H. Mendelson), Innovations in Management Sept. 2019, 88-105. (In Hebrew.)
2. "The Illiquidity Premium: Further Evidence from Global and Asia-Pacific Markets" (with A. Hameed, W. Kang and H. Zhang), NTU Management Review 29, 2019, 1-24.
3. "Do Staggered Boards Matter for Firm Value?" (with M. Schmid and S. D. Solomon), Journal of Applied Corporate Finance 30, Fall 2018, 61-77.
4. "Stock Liquidity and the Cost of Equity Capital in Global Markets" (with A. Hameed, W. Kang and H. Zhang), Journal of Applied Corporate Finance 27, Fall 2015, 68-74.
5. "How to Measure the Skills of Your Fund Manager" (with R. Goyenko). American Association of Individual Investors Journal 37, 2015 (April), 27-31.
6. "Liquidity, the Value of the Firm, and Corporate Finance" (with Haim Mendelson). Journal of Applied Corporate Finance 24, 2012 (No. 1), 17-32. (Lead article.)
7. "Stock and Bond Liquidity and its Effect on Prices and Financial Policies" (with H. Mendelson), Financial Markets Portfolio Management 20, 2006, 9-32.
8. "An institutional Innovation to Reduce the Agency Costs of Public Corporate Bonds," (with K. Garbade and M. Kahan), Journal of Applied Corporate Finance 13 (1), Spring 2000, 114-121.
9. "The Liquidity Route to a Lower Cost of Capital," (with H. Mendelson), Journal of Applied Corporate Finance 12 (4), Winter 2000, 8-25 (lead article).
10. Participant in "Roundtable on Management Incentive Compensation and Shareholder Value", Journal of Applied Corporate Finance 5 (2), Summer 1992, 110-130.
11. "Liquidity and Cost of Capital: Implications for Corporate Management" (with H. Mendelson), Journal of Applied Corporate Finance 2 (3), Fall 1989, 65-73.

12. A Review of The Israeli Economy: Dreams and Reality, by Y. Aharoni, Journal of International Business Studies, 1992, 365-367.
13. Participant in "Lead Steer" Roundtable, Journal of Applied Corporate Finance, 1989, 24-44.
14. "Call Auction and Continuous Auction: Effects on Market Volatility and Liquidity" (with M. Mendelson), in Finanza Impres e Mercati (in Italian), 1989, 393-419.
15. "Options Markets Integration" (with H. Mendelson). Paper submitted to the Securities and Exchange Commission, January 1990.

### **Articles in Books:**

1. "Transactions Costs and Asset Management" (with H. Mendelson), in Michael Pinedo and Ingo Walter (eds.), Global Asset Management: Strategies, Risks, Processes and Technologies. PegraveMacmillan, 2013, 414-432; and in Michael Pinedo (ed.), Operational Control in Asset Management: Processes and Costs. SimCorp Strategy Lab, Denmark, 2010, 170-189.
2. "Liquidity Premium," (with H. Mendelson), Encyclopedia of Quantitative Finance, Wiley, 2010.
3. "An Institutional Innovation to Reduce the Agency Costs of Public Corporate Bonds: Changing the Role of the Trustee" (with M. Kahan and K. Garbade), in Klaus J. Hopt and Eddy Wymeersch, Capital Markets and Company Law, Oxford University Press, 2003, 549-564.
4. "Bank Mergers and Acquisitions: An Introduction" (with G. Miller) in Y. Amihud and G. Miller (eds.) Bank Mergers and Acquisitions, Kluwer, 1998, vii-xiii.
5. "Exchange Rates and the Valuation of Equity Shares," in Y. Amihud and R. Levich (eds.), Exchange Rates and Corporate Performance, Irwin, 1994, 49-59.
6. "Exchange Rates and Corporate Performance: Introduction and Review" (with R. Levich), in Y. Amihud & R. Levich (eds.), Exchange Rates and Corporate Performance, Irwin, 1994, 1-12.
7. "Transaction Taxes and Stock Values," in K. Lehn and R. Kamphuis, Modernizing U.S. Securities Regulation: Economic and Legal Perspective, Irwin, 1993, 477-500.
8. "Liquidity, Trading Costs and Asset Pricing: Implications for Japan" (with H. Mendelson), in I. Walter & T. Hiraki (eds.) Restructuring Japan's Financial Markets, Irwin, 1993, 61-78.
9. "Open End Mutual Funds", in S. Preda (ed.), Funds and Portfolio Management: An International Study. Amsterdam, the Netherlands: North Holland, 1991, 171-182.

10. "Trading Mechanisms and Value-Discovery: Cross-National Evidence and Policy Implication" (with H. Mendelson), in C. Plosser (ed.), Carnegie-Rochester Conference Series, Vol. 34, Spring 1991, 105-130.
11. "How (Not) to Integrate the European Capital Markets" (with H. Mendelson), in A. Giovannini and C. Mayer (eds.), European Financial Integration. Cambridge University Press, 1991.
12. "Priority Rule in Tender Offers" (with M. Burnovski), in A. Sametz (ed.), The Battle for Corporate Control. Homewood, Ill: Business One Irwin, 1991, 311-353.
13. "Leveraged Management Buyouts and Shareholders' Wealth", in Y. Amihud (ed.), Leveraged Management Buyouts, Homewood, Ill: Dow Jones-Irwin, 1989, 3-34.
14. "Preface," in Y. Amihud (ed.), Leveraged Management Buyouts. Homewood, Ill: Dow Jones-Irwin, 1989, ix-xi.
15. "The Effects of Computer-Based Trading on Volatility and Liquidity" (with H. Mendelson), in H. Lucas and R. Schwartz (eds.), The Challenge of Information Technology for the Securities Market. Homewood, Ill.: Dow Jones-Irwin, 1989, 59-85.
16. "Microeconomia della Offerte Pubbliche di Acquisto" ("The Microeconomics of Public Tender Offers"), in Borsa Scalate e Offerte Pubbliche di Acquisto, Bologna: Societa Editrice il Mulino, 1987, 141-167.
17. "An Integrated Computerized Trading System" (with H. Mendelson), in Y. Amihud, T. Ho and R. Schwartz (eds.), Market Making and the Changing Structure of the Securities Industry, Lexington, MA: Lexington Books, 1985, 217-235.
18. "Overview of the Changing Securities Markets" (with T. Ho and R. Schwartz) in Y. Amihud, T. Ho and R. Schwartz (eds.), Market Making and the Changing Structure of the Securities Industry. Lexington, MA: Lexington Books, 1985, 1-15.
19. "A Critical Examination of the New Foundation of Utility," in M. Allais and O. Hagen (eds.), Expected Utility Hypothesis and "The Allais Paradox," Contemporary discussions on decisions under uncertainty. Dordrecht, Holland : Reidal Publishing Co., 1979, pp. 149-160.
20. "A Reply to Allais," Ibid, 185-190.
21. "On the Consumer Demand Theory Under Uncertainty," in R. Henn and O. Moeschlin (eds.), Mathematical Economics and Game Theory, Essays in Honor of Oskar Morgenstern, Lecture Notes in Economics and Mathematical Systems #114, Heidelberg, West Germany: Springer Verlag, 1977, 343-364.

22. "A Derived Demand for Time-Saving Research and Development Efforts" (with J. Ronen), in Management of Research and Education, Part 1, Proceedings of the Warsaw Conference, September 18-21, 1975.
23. "Introduction" in Y. Amihud (ed.), Bidding and Auctioning for Procurement and Allocation, New York, NY: NYU Press, 1976.

### **Press articles**

1. "Staatspleiten sind nicht das Ende". *Financial Times-Deutschland*, 3/10/2012.
2. "Taxing Stock Trades Will Hurt Main Street" (With H. Mendelson), *The Wall Street Journal*, 11/11/2011.

### **Books (editing):**

1. Bank Mergers and Acquisitions (with G. Miller). Kluwer, 1998, 235 pp.
2. Exchange Rates and Corporate Performance (with R. Levich), Irwin, 1994, 251 pp.
3. Leveraged Management Buyouts. Homewood, Ill.: Dow Jones-Irwin, 1989, 268 pp.
4. Market-Making and the Changing Structure of the Securities Industry (with T. Ho and R. Schwartz). Lexington, MA: Lexington-Heath Book Co., 1985, 318 pp.
5. Bidding and Auctioning for Procurement and Allocation. New York, N.Y.: New York University Press, 1976, 220 pp. Reviewed in the Journal of Economic Literature, 1978, 75-576, in Southern Economic Journal, 1979, 969-971, and in Interfaces (ORSA-TIMS), 1982,

### **Articles in Hebrew:**

1. "Money Market Instruments" (with A. Barnea), Quarterly Banking Review, 1978, 7-20.
2. "The Relative Profitability to a Risk-Neutral Investor of Investment in Nominal Interest Rates Compared to a Linked Investment" (with A. Barnea), The Israeli Review of Business and Economics, 1977.
3. "Optimal Inventory and Production Policies Under Uncertainty in Output Quantity" (with H. Mendelson), The Israeli Review of Business and Economics, 1977, 19-26.