

Bruce D. Grundy
Curriculum Vita
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Professor of Finance

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Education

- PhD in Finance, Graduate School of Business, University of Chicago 1992.
- B. Com. Honours (1st Class), University of Queensland 1977.

Academic Positions

- Professor of Finance, University of Melbourne 2005-present
- Ian Potter Professor, Melbourne Business School, 2000-2005.
- Professor of Finance, University of Melbourne, 1998-1999.
- Andrew Heyer Assistant Professor of Finance, Wharton School, University of Pennsylvania, 1991-1998.
- Assistant Professor of Finance, GSB, Stanford University, 1985-1990.

Visiting Positions

- Visiting Scholar, University College Dublin, June 2018
- Visiting Professor, London Business School, Fall 2013.
- Visiting Professor, Wharton School, University of Pennsylvania, Autumn 2005, Autumn 2006, Autumn 2007.
- Visiting Professor, Singapore Management University, Fall 2005.
- Visiting Professor, University of Chicago, Winter 2003.
- Metzler Bank Professor, Goethe-Universität Frankfurt, Summer 1998.
- Visiting Professor, Macquarie University, Summer 1994.

Publications

- “Why do option prices predict stock returns? The role of price pressure in the stock market,” forthcoming *Management Science*. Co-authors: Luis Goncalves-Pinto, Allaudeen Hameed, Thijs van der Heijden and Yichao Zhu.
- “Can socially responsible firms survive competition? An analysis of corporate employee matching grants,” 2019, *Review of Finance* 23(1), 199-243. Co-author: Ning Gong.
- “The buyers’ perspective on security design: Hedge funds and convertible bond call provisions,” 2018, *Journal of Financial Economics* 127(1), 77-93. Co-author: Patrick Verwijmeren.
- “Disappearing call delay and dividend-protected convertible bonds,” 2016, *Journal of Finance* 71(1), 195-224. Co-author: Patrick Verwijmeren.
- “Why are conversion-forcing call announcements associated with negative wealth effects?” 2014, *Journal of Corporate Finance* 24, 149-157. Co-authors: Chris Veld, Patrick Verwijmeren, Yuriy Zabolotnyuk.
- “The design of charitable fund-raising schemes: Matching grants or seed money,” 2014, *Journal of Economic Behavior and Organization* 108, 147-165. Co-author: Ning Gong.
- “Stock returns and the Miller-Modigliani valuation formula: Revisiting the Fama-French analysis,” 2013, *Journal of Financial Economics* 110(2), 347-357. Co-authors: Gil Aharoni and Qi Zeng.
- “Convertibles and hedge funds as distributors of equity exposure,” 2012, *Review of Financial Studies* 25(10), 3077-3112. Co-authors: Stephen Brown, Craig Lewis and Patrick Verwijmeren.
- “Do option markets undo restrictions on short sales? Evidence from the 2008 short-sale ban,” 2012, *Journal of Financial Economics* 106(2), pp. 331-348. Co-authors: Bryan Lim and Patrick Verwijmeren.
- “Investor sentiment, executive compensation, and corporate investment,” 2010, *Journal of Banking & Finance* 34, pp. 2439-2449. Co-author: Michael Li.
- “Disclosure, hidden charges and indexed pensions,” 2005, *Agenda: A Journal of Policy Analysis and Reform*, 12(1), pp. 33-46. Co-authors: Diana Beal and Sarath Delpachitra.
- “Stock market volatility in a heterogeneous information economy,” 2002, *Journal of Financial and Quantitative Analysis* 37(1), pp. 1-27. Co-author: Youngsoo Kim.
- “Momentum: Fact or factor? Momentum investing when returns have a factor structure,” 2001, *Review of Financial Studies* 14(1), pp. 29-78. Co-author: Spencer Martin.
- “Merton H. Miller: His contribution to financial economics,” 2001, *Journal of Finance* 56(4), pp. 1183-1206.
- “General properties of option prices,” 1996, *Journal of Finance* 51(5), pp. 1573-1610. Co-authors: Yaacov Bergman and Zvi Wiener.

- “Option prices and the underlying asset’s return distribution,” 1991, *Journal of Finance* 46(3), pp. 1045-1070.
- “Changing risk, changing risk premiums, and dividend yield effects,” 1990, *Journal of Business* 63(1), pp. 51-70. Co-authors: Nai-fu Chen and Robert F. Stambaugh.
- “Optimal investment with stock repurchase and financing as signals,” 1989, *Review of Financial Studies* 2(4), pp. 445-465. Co-author: George Constantinides.
- “Trade and the revelation of information through prices and direct disclosure,” 1989, *Review of Financial Studies* 2(4), pp. 495-526. Co-author: Maureen McNichols.

Edited Volumes

- *Selected Works of Merton Miller: A Celebration of Markets. Vol I Finance*, 2002 (University of Chicago Press, Chicago, Ill).
- *Selected Works of Merton Miller: A Celebration of Markets. Vol II Economics*, 2002 (University of Chicago Press, Chicago, Ill).

Other Publications

- “Hedge fund involvement in convertible securities,” 2013, *Journal of Applied Corporate Finance* 25(4), 60-73. Co-authors: Stephen J. Brown, Craig M. Lewis and Patrick Verwijmeren
- “Stock return predictability in rational markets,” 2007, *Insights: Melbourne Economics & Commerce* 1(April).
- “[Real options analysis and investment appraisal: the opportunities and challenges](#),” 2006, *Insights: Melbourne Economics & Commerce* 4 (November).
- “Book Review: *Pricing and hedging of derivative securities* by Lars Tyge Nielsen,” 2000, *Journal of Financial Research* 23, pp. 391-394.

Working Papers

- “The external financing of investment,” Co-author: Patrick Verwijmeren.
- “The importance of sovereign reference rates for corporate debt issuance: Mind the gap,” Co-authors: Sjoerd van Bekkum and Patrick Verwijmeren.

Work-in-Progress

- “Do cybersecurity breaches increase uncertainty?” Co-authors: Mark Cummins, Ronan Powell, Pierangelo Rosati
- “10K Risk Factor Statements: The reporting and prediction of uncertainty,” Co-author: Stefan Petry

Awards

- 2012 FIRN Best Policy Paper Prize
- 2012 Third Annual Financial Markets & Corporate Governance Research Prize
- 2010 Quantitative Finance Conference Research Prize
- 2009, 2010, 2011 Faculty of Business and Economics Teaching Excellence Prize
- 2006, 2008 Faculty of Economics and Commerce Teaching Award
- 1998 Geewax-Terker Research Prize
- 1994-95 Batterymarch Fellowship
- 1994 Hauck Teaching Prize (Wharton)
- 1993 Outstanding Teaching Award (Wharton)

Professional Societies

- Fellow: Academy of the Social Sciences in Australia
- Senior Fellow: Asian Bureau of Finance & Economic Research
- Founding Member: The Finance Research Network FIRN

Managing Editor:

- *International Review of Finance*, 2004-2008

Associate Editor:

- *Journal of Finance*, 2000-2003
- *Journal of Financial Research*, 1999-2006
- *Accounting and Finance*, 1999-2002
- *Journal of Financial and Quantitative Analysis*, 1992-1996
- *Review of Financial Studies*, 1988-1994
- *International Review of Finance*, 2008-2014

Advisory Editor:

- *International Review of Finance*, 2010-present

Editorial Board:

- *Accounting and Finance*, 2002-2014
- *Insights: The Faculty of Economics & Commerce*, 2007-2010

Ad Hoc Referee:

Agenda, American Economic Review, Applied Economics, Australian Economic Review, Australian Journal of Management, Accounting and Finance, Banking & Finance, European Economic Review, European Journal of Finance, Financial Analysts Journal, Financial Management, Financial Review, Journal of Accounting Research, Journal of Banking & Finance, Journal of Business, Journal of Business and Economic Statistics, Journal of Corporate Finance, Journal of Economic Behavior and Organization, Journal of Economic Dynamics and Control, Journal of Economic Theory, Journal of Finance, Journal of Financial and Quantitative Analysis, Journal of Financial Economics, Journal of Financial Intermediation, Journal of Financial Services Research, Journal of Political Economy, Journal of Public Economics, Management Science, Mathematical Finance, Review of Accounting Studies, Review of Quantitative Finance and Accounting, Review of Finance, Review of Financial Studies, Quarterly Journal of Economics.

Program Committees:

- Australasian Banking & Finance Conference: 2010-2017
- American Economic Association Meetings: 1998
- American Finance Association Meetings: 2001
- ASU Sonoran Winter Finance Conference: 2012-2020
- Asian Finance Association Meetings: 2004-2006, 2009, 2012, 2016-2017
- Asian FMA Meetings: 2009-2010
- European Finance Association Meetings: 2000-2002, 2005, 2010-2012, 2014-2015, 2017, 2019-2020
- European Financial Management Association Meetings: 1999
- Finance Down Under Conference: 2009-2017
- Financial Intermediation Research Society: 2010-2011.
- Indiana University Symposium on Design of Securities and Markets: 1993
- Journal of Accounting Research Annual Conference: 2002-2003
- Energy and Commodities Finance Research Conference: 2019
- Review of Accounting Studies Annual Conference: 2004-2005
- Singapore International Conference on Finance: 2009-2010
- SFS Cavalcade Asia Pacific: 2017-2018
- Society for Financial Econometrics: 2010
- Western Finance Association Meetings: 1990, 1991, 1994-95, 1997-98, 2004, 2007-2018

External Reviewer:

- Australian Accounting Research Foundation Exposure Draft on Director and Executive Disclosures: 2000
- Australian National University, Department of Finance, Applied Statistics & Actuarial Science. Chair External Review Committee: 2010
- Australian Research Council: 1994, 1995, 2007
- Monash University, Accounting & Finance Department, External Reviewer: 2002
- National University of Singapore, Department of Finance, External Reviewer: 2015
- National Science Foundation Proposals: 1990, 1991, 1994, 1997
- Research Grants Council of Hong Kong: 1997, 2000, 2004, 2005, 2008, 2009, 2014
- Social Sciences and Humanities Research Council of Canada: 1993, 1994
- Singapore Management University Quantitative Finance Programme: 2003-2010

Keynote Speaker:

- 16th Malaysian Finance Association Annual Conference: 2014
- La Trobe Conference on Financial Markets and Corporate Governance: 2012
- Asian FMA Meetings: 2010
- Accounting & Finance Association of Australia and New Zealand Meetings: 2003
- Australasian Banking & Finance Conference: 2002

Conference Organiser:

- The Dollars and Sense of Bank Consolidation: MBS Conference 2002
- Risk Management and Pricing for Financial Institutions: Lessons from the Closed-End Fund Industry: Wharton Financial Institutions Centre Conference 1995
- Finance Down Under Conference: 2007-2012, 2015, 2016
- FIRN Asset Pricing Group Meeting: 2013, 2014

Session Chair:

- Accounting & Finance Association of Australia and New Zealand Meetings: 2003, 2004, 2005
- Asian Finance Association Meetings: 2004, 2005, 2006, 2009
- Asian FMA Meetings: 2010
- Asian Bureau of Finance & Economic Research: 2015
- ASU Sonoran Winter Finance Conference: 2017
- Australasian Banking & Finance Conference: 2003, 2011
- American Finance Association Meetings: 2001
- European Finance Association Meetings: 2002, 2005, 2010, 2012
- FIRN Annual Conference: 2016
- Western Finance Association Meetings: 1995

Conference Presentations:

- AGSM Finance and Accounting Camp: 1996, 1997 and 1999
- American Finance Association Meetings: 1986, 1989, 1990, 1996, 1997, 1998
- Annual Conference in Financial Economics and Accounting: 1995 and 1996
- American Mathematical Society Meetings: 1996
- Australasian Banking and Finance Conference: 1989, 2007, 2011, 2017
- Australian Conference of Economists: 2006
- Asian Finance Association Meetings: 2004, 2005 and 2006
- Asian FMA Meetings: 2010
- Australasian Q-group: 1999, 2004
- Conference in Honour of Doug Diamond: 2018
- European Finance Association Meetings: 1995, 2002, 2005, 2010-2012, 2014
- Finance Down Under: 2010
- FIRN Art of Finance Conference: 2012
- HKUST Annual Finance Symposium: 2004
- NBER Summer Institute: 1998
- NBER Financial Risk Assessment and Management Conference: 1995
- N.J.C.R.F.S. Conference in Security Design and Innovations in Financing: 1993

- Sixth Annual Conference MSMESB: 1991
- Third National Symposium on Financial Mathematics: 2004
- UBC Summer Finance Conference: 2019
- Western Finance Association Meetings: 1984, 1989, 1993, 2010
- ZEW Centre: Conference on the Economics of Charitable Fundraising: 2009

Discussant:

- AFAANZ Doctoral Colloquium: 2003-2005
- Australasian Banking & Finance Conference: 1989, 2002, 2007, 2011, 2017
- Accounting & Finance Association of Australia and NZ Meetings: 2006, 2007
- American Finance Association Meetings: 1986-900, 1994-95, 2006
- Annual Conference on Financial Economics and Accounting: 1992 and 1996
- ANU Doctoral Symposium: 2018
- ANU Summer Camp: 2008-2012, 2018
- Asia-Pacific Finance Association Meetings: 1999
- Asian Bureau of Finance and Economic Research Meetings: 2014
- Asian Finance Association Meetings: 2004-2006, 2009
- Asian Finance Association Doctorial Consortium: 2005
- Asian FMA Meetings: 2010
- Behavioural Finance and Capital Markets Conference: 2018
- European Finance Association Meetings: 1995, 2002, 2005, 2010-2012, 2018
- Fifth Annual Texas Finance Festival: 2003
- Finance Down Under: 2011-2013
- FIRN Doctoral Consortium: 2005-07
- FIRN Annual Conference: 2010, 2012, 2016
- FIRN Corporate Finance Meeting: 2015
- FIRN Asset Pricing Group Meeting: 2015, 2016
- FMA Asia Doctorial Consortium: 2010
- Paul Woolley Centre on Capital Market Dysfunctionality: 2008, 2009, 2011
- Simulation Based & Finite Sample Inference in Finance Conference: 2003
- Singapore International Conference on Finance: 2008, 2009

- Singapore Management University Summer Camp: 2014
- SIRCA Young Researcher Workshop 2012
- Western Finance Association Meetings: 1993, 1997

Seminar Presentations:

Aalto University, Arizona State University, Australian Graduate School of Management, Australian National University, Bond University, Boston College, Carnegie-Mellon University, Central Queensland University, Chinese University of Hong Kong, Columbia University, Commodity Futures Trading Commission, Cornell University, Dartmouth College, Deakin University, Duke University, Erasmus School of Economics, Fields Institute for Research in Mathematical Sciences, Goethe University Frankfurt, Hong Kong University of Science and Technology, Humboldt University, Indian School of Business, Insead, Judge Business School, La Trobe University, Lancaster University, London Business School, London School of Economics, Macquarie University, Massey University, Melbourne Business School, MIT, Monash University, National University of Singapore, New York University, Northwestern University, NUS Risk Management Institute, Odense University, Ohio State University, Queen's University, Queensland University of Technology, Rutgers University, Said Business School, Singapore Management University, Stanford University, Tilburg University, University College Dublin, University of Aarhus, University of Adelaide, University of Alberta, University of British Columbia, University of California Berkley, University of California Irvine, University of California Los Angeles, University of Chicago, University of Houston, University of Illinois Champaign, University of Oregon, University of Maryland, University of Melbourne, University of Michigan, University of Minnesota, University of New South Wales, University of North Carolina Chapel Hill, University of Queensland, University of South Australia, University of Sydney, University of Technology Sydney, University of Texas at Austin, University of Vienna, University of Western Australia, University of Washington in St Louis, Vanderbilt University, Victoria University Wellington, Washington University, Yale University.

Manuscript Reviewer:

- University of Chicago Press
- Cambridge University Press
- Academic Press

Teaching Experience

- *Derivatives-related courses:* Honours, Masters and PhD courses on options, futures, swaps, mortgage-backed securities, exotics.
- *Corporate Finance-related courses:* Honours, Masters and PhD courses on capital budgeting, mergers and acquisitions, corporate taxation, agency problems, information asymmetries, security design.
- *Corporate Governance:* MBA course
- *Real Options and Resource Projects:* Undergraduate and MBA courses
- *Financial Management:* Executive MBA course
- *Executive Education:* ABN Amro, KPMG, Liechtenstein Global Trust, PaperLinx, PWC, Susquehanna Investment Group, Telstra Risk Management and Assurance, Turkish Capital Markets Board, Pension Funds and Money Management Program
- *Member of Thesis Committees:* Mahmoud Agha (Uni. of Western Australia), Alya Al Foori (Sultan Qaboos University), Ken Bechmann (Copenhagen Business School), Jacob Boudoukh (NYU), Cynthia Cia (Monash Uni.), Jennifer Carpenter (NYU), Yangyang Chen (Monash Uni.), Adam Dunsby (Goldman Sachs), Michael Gallmeyer (Carnegie-Mellon), Pekka Heitala (Insead), Terry Hildebrand (Enron), Ron Kaniel (Uni. of Texas at Austin), Youngsoo Kim (Alberta), Michele Kreisler (Morgan Stanley), Emma Leyi (Australian National University), Guan Hua Lim (Uni. of Singapore), Hui Li (Deakin), Zhenhua Liu (RepuTex), Spencer Martin (Ohio State), Krishnan Maheswaran (Uni. of Melbourne), Ed Nelling (Georgia State), Ian O'Connor (Uni. of Melbourne), Rob Reider (J.P Morgan), Mark Vargus (Uni. of Michigan), Chelsea Yao (Uni. of Lancaster), George Wang (Uni. of Manchester), Yichao Zhu (Australian National University), Mengyu (Michelle) Zhou (The Future Fund), Bill Zu (Goldman Sachs), Lin Wu (progress)
- *External PhD Examiner:* Aarhus University, Queensland University of Technology, University of Technology Sydney, University of Sydney, University of Western Australia, University of New South Wales, Massey University

Administrative Positions

Faculty of Business & Economics, University of Melbourne:

Acting Dean, Faculty of Business & Economics: 2007-2008

Deputy Dean, Faculty of Business & Economics: 2006-2010

Graduate Research Directors Group: 2015-2016

Head, Department of Finance: 2010-2012

Deputy Head, Department of Finance: 2008-2010

FEC Advisory Board: 2007-2008

Convener Melbourne Derivatives Research Group: 2006-2010

Finance Seminar Convener: 2007-2009, 2018-2019

FIRN Local Coordinator: 2006-2011

Coordinator Finance PhD Program: 2007, 2009-2011, 2015-2016

Research and Research Training Committee: 1999, 2007, 2009-2011

Honours Committee: 2016-2019

Melbourne Business School, University of Melbourne:

Director Ian Potter Centre for Financial Studies: 2000-2005

Academic Planning and Development Committee: 2002-2005

Curriculum Committee: 2002-2005

University of Melbourne

Cost Containment Committee: 2007

Business@Melbourne Coordinating Committee: 2007-2008

Melbourne Business School Committee: 2006-2011

Academic Structures Committee: 2008-2009

The Wharton School:

Convenor Corporate Finance Workshop: 1995-1997

Wharton Fellows Fund Oversight Committee: 1993-1997

Recruiting Committee: 1995-1996

Finance Seminar Convener: 1992-1994

Stanford Graduate School of Business:

Deans Advisory Committee: 1986-1988

Finance Seminar Convener: 1988-1990