Bruce D. Grundy

Curriculum Vita

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Department of Finance, Faculty of Economics & Commerce
The University of Melbourne, Victoria 3010 AUSTRALIA

Education

PhD, Finance, Graduate School of Business, University of Chicago. 1992. Specialisations: Finance and Economics. Beta Gamma Sigma. Dissertation: "Preferreds and Taxes." Committee: Merton Miller (Chairman), George Constantinides, Douglas Diamond.

B. Com. Honours (1st Class), University of Queensland. 1977.

Academic Positions

Professor of Finance, University of Melbourne 2005-.
Adjunct Professor of Finance, The Wharton School, University of Pennsylvania, 2005-2007.
Ian Potter Professor, Melbourne Business School, 2000-2005.
Professor of Finance, University of Melbourne, 1998-1999.
Andrew Heyer Assistant Professor of Finance, The Wharton School, University of Pennsylvania, 1991-98.
Assistant Professor Finance, Graduate School of Business, Stanford University, 1985-90.

Visiting Positions:

Visiting Professor, Singapore Management University, Fall 2005.
Visiting Professor, University of Chicago, 2003
Metzler Bank Professor, Johann Wolfgang Goethe-Universität Frankfurt am Main 1998.
Visiting Professor, Macquarie University,1994.

Publications

"Combining skill and capital: Alternate mechanisms for achieving an optimal fund size," 2008, forthcoming *Pacific Basin Finance Journal.*

"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.

"Generalized 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.

"Call and conversation of convertible corporate bonds: theory and evidence," 1986, *Seminar on the Analysis of Security Prices* 31, pp. 35-70. Co-author: George Constaninides.

"The behavior of stock prices around ex-dividend dates," 1983, *Seminar on the Analysis of Security Prices* 28, pp. 83-114.

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

"Book Review: *Pricing and hedging of derivative securities* by Lars Tyge Nielsen," 2000, *Journal of Financial Research* 23, pp. 391-394.

"Stock return predictability in rational markets," 2007, *Insights: Melbourne Economics & Commerce* 1, pp. 35-40.

Working Papers currently in review process

"Optimal exercise and valuation of real options: The effects of uncertainty and asymmetric information," 2007. Co-author: Johannes Raaballe.

"The Analysis of VaR, deltas, and state prices: A new approach," 2007. Co-author: Zvi Wiener.

"Leadership giving in charitable fund-raising: Matching grants or seed money?" 2007. Co-author: Ning Gong.

Work-in-Progress

"Do socially responsible firms add value for their employees? – A theoretical examination of corporate employee matching grant programs," Co-author: Ning Gong.

"Valuing complex compensation packages," Co-author Steve Usher

"Macroeconomic and microstructure determinants of implied volatility," Co-author Paul Kofman

"A rational model of momentum and contrarian return behaviour," Co-authors Wei Li and Joe Zhang

"Storage and the Hotelling valuation principle: Understanding the dynamics of the oil industry," Co-author Richard Heaney

"Multiplicative risk prudence," Co-authors: Xin Chang and George Wong.

"Option prices, implied abnormal returns and momentum," Co-authors: Greg Clinch, John Lyon and Gary Twite.

"Differential Information and Derivatives Pricing," Co-author: Qi-Zeng.

Awards

1998 Geewax-Terker Prize, 1994-95 Batterymarch Fellowship, 1994 Hauck Award, 1993 Outstanding Teaching Award (Wharton), 2007 FEC Teaching Award

Grants

National Science Foundation Grant, "Call and conversion of convertible bonds" 1985-1987, joint with George Constantinides, US$300,000

Australian Research Grants Council Discovery Grant, "Storage and the Hotelling Valuation Principle: Understanding the Dynamics of the Oil Industry" 2007-09, joint with Richard Heaney. $345,000

Australian Research Grants Council Discovery Grant, "Three Decades of Financial Distress and Corporate Restructuring in Australia" 2008-10, joint with Paul Kofman and Howard Chan. $104,537

Professional Society Activities

Director: Asian Finance Association
Founding Member: Australian Financial Integrity Research Network
Fellow: Australian Society of Certified Practicing Accountants.
Member: Asian Finance Association, American Economics Association, American Finance Association, American Mathematical Society, European Finance Association, Western Finance Association.
Reviewer: Australian Accounting Research Foundation Exposure Draft on Director and Executive Disclosures.
Doctoral Colloquium Fellow: AFAANZ 2003 Colloquium, 2005 Colloquium.
Doctoral Consortium Fellow: AFAANZ 2004 Consortium
Doctorial Consortium Fellow: Asian Finance Association 2005
Australian Society of CPA's 1999 Research Lecture
Founding Member Financial Integrity Research Network (FIRN)
FIRN Doctoral Tutorial Discussant: 2005-07.
FIRN Local Convener: 2006-08.

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.

Editorial Board:

Accounting and Finance, 2002-present
Business Research, 2007-present

Ad Hoc Referee:

Agenda, American Economic Review, Australian Journal of Management, Accounting and Finance, European Economic Review, European Journal of Finance, Financial Management, Financial Review, Journal of Accounting Research, Journal of Business, Journal of Business and Economic Statistics, Journal of Finance, Journal of Financial Economics, Journal of Financial Intermediation, Journal of Political Economy, Journal of Public Economics, Management Science, Mathematical Finance, Review of Accounting Studies, Review of Quantitative Finance and Accounting, Review of Financial Studies, Quarterly Journal of Economics.

Program Committee:

American Economics Association Meetings: 1998.
American Finance Association Meetings: 2001.
Asian Finance Association Meetings: 2004, 2005, 2006, 2009.
European Finance Association Meetings: 2000, 2001, 2002 and 2005.
European Financial Management Association Meetings: 1999.
Financial Management Association Asia Meetings: 2009
Indiana University Symposium on Design of Securities and Markets: 1993.
Journal of Accounting Research Annual Conference: 2002, 2003.
MDRG Annual Conference 2009
Western Finance Association Meetings: 1990-91, 1994-95, 1997-98, 2004, 2007-09.
Review of Accounting Studies Annual Conference: 2004, 2005.

Reviewer:

Research Grants Council of Hong Kong: 1997, 2000, 2004 and 2005.
National Science Foundation Proposals: 1990, 1991, 1994 and 1997.
Australian Research Council: 1994, 1995 and 2007.
Social Sciences and Humanities Research Council of Canada: 1993 and 1994.

Discussant:

American Finance Association Meetings: 1986-900, 1994-95, 2006.
Annual Conference on Financial Economics and Accounting: 1992 and 1996.
ANU Summer Camp: 2008
Asia-Pacific Finance Association Meetings: 1999.
Asian Finance Association Meetings: 2004-06.
European Finance Association Meetings: 1995, 2002, 2005.
Fifth Annual Texas Finance Festival: 2003.
Paul Woolley Centre on Capital Market Irrationality Conference: 2008
Ph.D. Conference in Economics and Business: 1999.

Simulation Based & Finite Sample Inference in Finance Conference: 2003.
Singapore International Conference on Finance: 2008
Western Finance Association Meetings: 1993 and 1997.

Session Chair:

Accounting & Finance Association of Australia and New Zealand Meetings: 2003-05.
Asian Finance Association Meetings: 2004-06.
Australasian Finance & Banking Conference: 2003
American Finance Association Meetings: 2001.
European Finance Association Meetings: 2002, 2005.
Western Finance Association Meetings: 1995.

Keynote Speaker:

Accounting & Finance Association of Australia and New Zealand Meetings: 2003.
Australasian Banking & Finance Conference: 2002.

Organizer:

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 Center Conference 1995.
Derivatives Down Under Conference: 2007, 2008.

Panelist:

Tax Issues in Capital Structure and Dividends. Uni. of Chicago, GSB Conference 1994.

Conference Presentations:

34th Conference of Economists: 2005.
Asian Finance Association Meetings: 2004 and 2005.
Australasian Q-group: 1999, 2004.
HKUST Finance Symposium: 2004.
Third National Symposium on Financial Mathematics: 2004.
AGSM Finance and Accounting Camp: 1996, 1997 and 1999.
American Finance Association Meetings: 1986, 1989, 1990, 1996, 1997 and 1998.
NBER Summer Institute: 1998.
Annual Conference in Financial Economics and Accounting: 1995 and 1996.
American Mathematical Society Meetings: 1996.
European Finance Association Meetings: 1995, 2002, 2005.
NBER Financial Risk Assessment and Management Conference: 1995.
N.J.C.R.F.S. Conference in Security Design and Innovations in Financing: 1993.
Western Finance Association Meetings: 1984, 1989 and 1993.
Sixth Annual Conference MSMESB: 1991.
Australasian Banking and Finance Conference: 1989 and 2007.

Finance Seminar Presentations:

Aarhus, Alberta, Australian Graduate School of Management, Australian National University, Bond University, Boston College, Carnegie-Mellon, Central Queensland University, Chicago, Columbia, Commodity Futures Trading Commission, Cornell, Dartmouth, Duke, Fields Institute, Frankfurt am Main, Hong Kong University of Science and Technology, Houston, Humboldt, Insead, London Business School, London School of Economics, Macquarie, Maryland, Massey University, Melbourne Business School, Michigan, Minnesota, MIT, Monash, Monash-Mt Eliza, National University of Singapore, New York University, Northwestern, Odense, Ohio State University, Oregon, Queens, Queensland University of Technology, Rutgers, Singapore Management University, Stanford, University of Adelaide, University of British Columbia, University of California Berkley, University of California Irvine, University of California Los Angeles, University of Illinois Champaign, University of Melbourne, University of New South Wales, University of North Carolina Chapel Hill, University of Queensland, University of Sydney, University of Technology Sydney, University of Western Australia, Vanderbilt, Victoria University Wellington, Washington University, Yale.

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 and exotics.

Corporate Finance-related courses: Honours, Masters and PhD courses on capital budgeting, mergers and acquisitions, corporate taxation, agency problems, information asymmetries, and security design.

Corpoprate Governance: MBA course

Real Options and Resource Projects: Undergraduate and MBA courses

Financial Management: Executive MBA course

Executive Education:

ABN Amro, Australian Graduate School of Management, KPMG, Liechtenstein Global Trust, Melbourne Business School, PaperLinx, PWC, Susquehanna Investment Group, Telstra Risk Management and Assurance, Turkish Capital Markets Board, Wharton School Pension Funds and Money Management Program

Member of Thesis Committees.

Completed: Mahmoud Agha (University of Western Australia), Ken Bechmann (Copenhagen Business School), Jacob Boudoukh (New York University), Jennifer Carpenter (New York University), Adam Dunsby (Goldman Sachs), Michael Gallmeyer (Carnegie-Mellon), Pekka Heitala (Insead), Terry Hildebrand (Enron), Ron Kaniel (University of Texas), Youngsoo Kim (Alberta), Michele Kreisler (Morgan Stanley), Guan Hua Lim (University of Singapore), Hui Li (Deakin) Spencer Martin (Ohio State), Krishnan Maheswaran (Melbourne University), Ed Nelling (Georgia State), Ian O'Connor (Melbourne University), Rob Reider (J.P Morgan), Mark Vargus (University of Michigan).

In Progress: Zhenhua Liu, Alya Al Foori, Yang Yang Chen

External Examiner: Aarhus University, University of Technology Sydney, University of Sydney, University of Western Australia, University of New South Wales.

Administrative Positions

University of Melbourne

Cost Containment Committee, 2007.
Business@Melbourne Coordinating Committee, 2007-2008.
Melbourne Business School Committee, 2006-2008.

University of Melbourne, Faculty of Economics & Commerce:

Deputy Dean, 2006-2007.
FEC Advisory Board, 2007-2008.
Convener Melbourne Derivatives Research Group, 2006-2008.
Convener Finance Seminar, 2007-2008.
Research and Research Training Committee: 2007.
PhD Coordinator, Department of Finance: 2007
Accounting and Finance Department Committee, 1999.
Research and Research Training Committee, 1999.

University of Melbourne, Melbourne Business School:

Director Ian Potter Center for Financial Studies, 2000-2005
Academic Planning and Development Committee, 2002-2005.
Curriculum Committee, 2002-2005.
Seminar Convener, 2000-2005.

The Wharton School:

Convenor Corporate Finance Workshop, 1995-1997.
Wharton Fellows Fund Selection Committee, 1993-1997.
Recruiting Committee, 1995-1996.
Finance Seminar Convener, 1992-1994.

Stanford Graduate School of Business:

Finance Seminar Convener, 1988-1990.
Deans Advisory Committee, 1986-1988.