Jun Liu

Academic Appointment

Assistant Professor, Anderson School of Management, UCLA, 1999-2005.

Associate Professor, Rady School of Management, UCSD, 2005-2015.

Professor, Rady School of Management, UCSD, 2015-present.

Professor, Cheung-Kong Graduate School of Finance, 2007-2009 (while on sabbatical from UCSD).

Professor, Shanghai Advanced Institute of Finance, 2012-2016 (while on part-time leave from UCSD).

Dean, School of Finance, Southwestern University of Finance and Economics, 2007-2016.

Associate Dean, the Institute of Financial Studies, Southwestern University of Finance and Economics, 2010-2016.

Education

Ph.D. in Finance, January 2000, Stanford University.

Ph.D. in Physics, September 1988, the University of Texas at Austin.

B.S. in Physics, September 1982, Peking University.

Teaching

1. Investments (MBA), 2000.
2. Theory of Finance (MBA), 2001, 2002.
3. Security Analysis and Investment Management (MBA), 2003, 2004, 2005.
4. Continuous-Time Finance (PhD), 2000, 2002, 2003, 2004, 2009, 2010, 2012, 2014.
5. Financial Economics (PhD) 2004.
6. Corporate Finance (MBA), 2006-2007.
7. New Venture Finance (MBA), 2006, 2007, 2012, 2013, 2014, 2015.
8. New Venture Finance (MF), 2015.
9. Chinese Economy and Chinese Financial Markets (MF), 2014, 2016.
10. Financial Management (MBA), 2008-2009.

Awards

First Place, Higher Mathematics Contest of Peking University, 1981.

Blackett Scholarship, Erice International School of Subnuclear Physics, 1986.

BGI/Michael Brennan Best Paper Award, Review of Financial Studies, 2005.

Research Interests

Theoretical and Empirical Asset Pricing, Econometrics.

Articles Published or Accepted

1. "Floating-Fixed Spreads" (with Darrell Duffie), *Financial Analyst Journal*, May/June, 2001.

2. "A Generalized Earning Model of Stock Valuation" (with Andrew Ang), *Review of Accounting Studies*, v6, n4, 397-425, December, 2001.

3. "Dynamic Asset Allocation with Event Risk" (with Francis Longstaff and Jun Pan), *Journal of Finance*, v58, n1, 231-259, February, 2003.

4. "Paper Millionaires: How Valuable is Stock to a Stockholder Who is Restricted from Selling it?" (with Matthias Kahl and Francis Longstaff), *Journal of Financial Economics*, v67, n3, 385-410, March 2003.

5. "Dynamic Derivative Strategies" (with Jun Pan), *Journal of Financial Economics*, v69, n3, 401-430, September, 2003.

6. "Conditional Information and Variance Bounds on Pricing Kernels" (with Geert Bekaert), *Review of Financial Studies*, v17, n2, 339-378, Summer 2004.

7. "Losing Money on Arbitrages: Optimal Dynamic Portfolio Choice in Markets with Arbitrage Opportunities" (with Francis Longstaff), *Review of Financial Studies*, v17, n3, 611-641, Fall, 2004.

8. "How to Discount Cashflows with Time-Varying Expected Returns" (with Andrew Ang), *Journal of Finance*, v59, n6, 2745-2783, December, 2004.

9. "An Equilibrium Model of Rare Event Premia" (with Jun Pan and Tan Wang), *Review of Financial Studies*, v18, n1, 131-164, Spring 2005.

10. "Why Stocks May Disappoint" (with Andrew Ang and Geert Bekaert), *Journal of Financial Economics*, v76, n3, 471-508, 2005.

11. "The Market Price of Credit Risk: An Empirical Analysis of Interest Rate Swap Spreads" (with Francis Longstaff and Ravit E. Mandell), *Journal of Business*, v79, n5, 2337-2359, September, 2006.

12. "Portfolio Selection in Stochastic Environments", *Review of Financial Studies*, v20, n1, 1-39, January, 2007.

13. "Risk, Return and Dividends" (with Andrew Ang), *Journal of Financial Economics*, 85, 1, 1-38, 2007.

14. "Information, Diversification, and Asset Pricing" (with Jing Liu and Jack Hughes), *Accounting Review*, v82, n3, 705-730, May, 2007.

15. "Debt Policy, Corporate Taxes, and Discount Rates" (with Mark Grinblatt), *Journal of Economic Theory*, v141, n1, 225-254, July, 2008.

16. "On the relation between expected returns and implied cost of capital" (with John Hughes and Jing Liu), *Review of Accounting Studies*, v14, 246-259, n2-3, June/September, 2009.

17. "Information, Expected Utility, and Portfolio Choice" (with Ehud Peleg and Avanidhar Subrahmanyam), forthcoming, *Journal of Financial and Quantitative Analysis*, v45, n 05, 1221-1251, October 2010.

18. "Strategic Informed Trades, Diversification, and Expected Returns," (with Judson Caskey and John S. Hughes), *The Accounting Review*, v90, n5, 1811-1837, September 2015.

19. "Optimal Trading Arbitrage Strategies," (with Allan Timmermann), *Review of Financial Studies*, v 26, n4, 1048-1086, 2013.

20. "Can Noise Create Size and Value Effects?" (with Robert Arnott, Jason Hsu, and Harry Markowitz), *Management Science*, v61, n11, 2569-2579, October 2015.

21. "Using Stocks or Portfolios in Tests of Factor Models," joint with Andrew Ang and Krista Schwartz, *Journal of Financial l and Quantitative Analysis*, v 55, n3, May 2020, pp. 709-750

22. "Portfolio Concentration, Portfolio Inertia, and Ambiguous Correlation," with Julia Jiang, Weidong Tian, and Xudong Zeng, *Journal of Economic Theory*, v203, July 2022.

23. "Optimal Momentum Trading Strategies," with Kai Li, *Operations Research*, v70, n4, July–August 2022, pp. 2054–2068.

24. "Extrapolative Pricing," with Kai Li, *Journal of Economic Theory,* v210, June 2023.

Working Paper

1. "Lucas Forest," working paper.
2. "A Model of Random Choice," working paper.
3. "Structured Bias in Implied Cost of Capital: Theory, Evidence, and Research Implications," with Jun Chen and John S. Hughes, revise-resubmit
4. "What Can Cross-Sectional Stocks Tell Us about Core Inflation Shocks?" with Yurong Hong, Jun Pan and Shiwen Tian, revise-resubmit.
5. "Local Risk Seeking," with Kai Li and Jiahui Shui, submitted.
6. "Momentum: A Portfolio Perspective, " with Jiaqi Guo and Kai Li.
7. "Alpha," with Junxiong Gao.
8. "Estimating Dynamic Asset Pricing Models: Term Structure Models," with Jun Pan and Jiahui Shui.
9. "Fast and Slow Market Volatility: Sentiment vs. Fundamentals," with Junxiong Gao and Jun Pan.
10. "Dynamic Choice under Time Delays: a Piecewise Dynamic Programming Approach," with Kai Li.
11. "Intertemporal Substittuion, Precautionary Saving, and Currency Premium," with Ke Du.