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*, Vol. 55, No. 3, pp. 709–750, May 2020.

Working Paper

1. “Portfolio Concentration, Portfolio Inertia, and Ambiguous Correlation,” with Julia Jiang, Weidong Tian, and Xudong Zeng, forthcoming, *Journal of Economic Theory.*

2. “Optimal Momentum Trading Strategies,” with Kai Li, forthcoming, *Operations Research.*

3. “Extrapolative Pricing,” with Kai Li, revise and resubmit, *Journal of Economic Theory.*

4. “Disclosure and Cost of Equity Capital Revisited,” with Jun Chen, John Hughes, and Dan Yang, revise and submit, *Accounting Review.*

5. “Suboptimal Choice and Asset Pricing, ” presented at 2018 Shanghai Macroeconomic Conference.

6. “Lucas Forest,” working paper.

7. “Intertemporal Substitution, Precautionary Saving, and Currency Premium,” with Rui Chen and Ke Du, presented at 2018 AEA and 2017 CICF.

8. ”Are Low Natural Interest Rates the New Normal,” with Zheng Liu and Jingyi Zhang.