

Bruce D. Grundy
Curriculum Vita
January 2018

Department of Finance, Faculty of Business & Economics
The University of Melbourne, Victoria 3010 Australia

Education

PhD, 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 Professor, London Business School, Fall 2013.

Visiting Professor, Wharton School, University of Pennsylvania, Fall 2005, Fall 2006, Fall 2007.

Visiting Professor, Singapore Management University, Fall 2005.

Visiting Professor, University of Chicago, Winter 2003.

Metzler Bank Professor, Johann Wolfgang Goethe-Universität Frankfurt am Main, Summer 1998.

Visiting Professor, Macquarie University, Summer 1994.

Publications

“The buyers’ perspective on security design: Hedge funds and convertible bond call provisions,” 2017, *Journal of Financial Economics* forthcoming. Co-author: Patrick Verwijmeren.

“Can socially responsible firms survive competition? An analysis of corporate employee matching grants,” 2017, *Review of Finance* forthcoming. Co-author: Ning Gong.

“Disappearing call delay and dividend-protected convertible bonds,” 2016, *Journal of Finance* 71(1), 195-224. Co-author: Patrick Verwijmeren.

- “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.
- “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.
- “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.
- “Call and conversion of convertible corporate bonds: theory and evidence,” 1986, *The Analysis of Security Prices* 31, pp. 35-70. Co-author: George Constantinides.
- “The behavior of stock prices around ex-dividend dates,” 1983, *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 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

“Why do option prices predict stock returns? The role of price pressure in the stock market,” Co-authors: Luis Goncalves-Pinto, Allaudeen Hameed, Thijs van der Heijden and Yichao Zhu.

“The external financing of investment,” Co-author: Patrick Verwijmeren.

Work-in-Progress

“Disclosed risk factors and corporate risk,” Co-author: Stefan Petry

“Minding the gap and filling the gap: Bond maturities around the world,” Co-author: Patrick Verwijmeren.

“A dynamic noisy rational expectation model with higher order beliefs,” Co-author: Qi Zeng.

“Investor sentiment, institutional ownership, and corporate investment,” Co-author: Michael Li.

Awards

2012 FIRN Best Policy Paper Prize

2012 Third Annual Financial Markets & Corporate Governance Research Prize

2010 Deakin University Quantitative Finance/Risk Management/Derivatives/Corporate Governance Conference Research Prize

1998 Geewax-Terker Research Prize

1994-95 Batterymarch Fellowship

2009, 2010, 2011 Faculty of Business and Economics Teaching Excellence Prize

2006, 2008 Faculty of Economics and Commerce Teaching Award

1994 Wharton Hauck Teaching Prize

1993 Outstanding Teaching Award (Wharton)

Grants

Inquire Europe, “Price pressure and informed option trading around corporate news events,” 2016-2017, joint with Luis Goncalves-Pinto, Allaudeen Hameed, Thijs van der Heijden and Yichao Zhu. €10,000

CPA Research Grant, “Links between Australia's taxation system and investment in Australian listed companies by different classes of resident and non-resident investors,” 2012-2013, joint with Sean Pinder and Dean Hanlon. \$40,000.

Faculty of Business and Economics Strategic Initiative Grant, “Neuro-Finance,” 2012-2015, joint with Carsten Murawski. \$600,000.

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

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

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

Professional Society Activities

Fellow: Academy of the Social Sciences in Australia

Senior Fellow: Asian Bureau of Finance & Economic Research

Founding Member: The Finance Research Network FIRN

SIRCA Research Committee: 2012-2014

Doctoral Colloquium Fellow AFAANZ: 2003-2005

Doctorial Consortium Fellow: Asian Finance Association 2005

Doctorial Consortium Fellow: FMA Asia 2010

FIRN Doctorial Consortium Fellow: 2005-07

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 Committee:

Australasian Banking & Finance Conference: 2010–2017
American Economic Association Meetings: 1998
American Finance Association Meetings: 2001
ASU Sonoran Winter Finance Conference: 2012–2018
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
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
Review of Accounting Studies Annual Conference: 2004–2005
Singapore International Conference on Finance: 2009–2010
Society for Financial Econometrics: 2010
The Role of Hedge Funds and other Collective Investment Funds in the Modern World: 2017
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
University of Malaya BBA, MBA and MM programs, External Reviewer: 2014-2018

Discussant:

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 Summer Camp: 2008–2012
Asia-Pacific Finance Association Meetings: 1999
Asian Bureau of Finance and Economic Research Meetings: 2014
Asian Finance Association Meetings: 2004–2006, 2009
Asian FMA Meetings: 2010
European Finance Association Meetings: 1995, 2002, 2005, 2010–2012
Fifth Annual Texas Finance Festival: 2003
Finance Down Under: 2011–2013
FIRN Research Day: 2010
FIRN Annual Conference: 2012, 2016
FIRN Corporate Finance Meeting: 2015
FIRN Asset Pricing Group Meeting: 2015, 2016
Paul Woolley Centre on Capital Market Dysfunctionalities: 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
Western Finance Association Meetings: 1993, 1997
SIRCA Young Researcher Workshop 2012

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 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 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:

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

FIRN Art of Finance Conference: 2012

Finance Down Under: 2010

HKUST Annual 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, 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, 2010–2012, 2014

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, 1993, 2010

Sixth Annual Conference MSMESB: 1991

ZEW Centre for European Economic Research, Mannheim: Conference on the
Economics of Charitable Fundraising: 2009

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, 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:

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)

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
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: 2016-2018

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:

Convener 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