

January 2015

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EDUCATION

- 1984-89 **Stanford University, Graduate School of Business** **Stanford, CA**
Ph.D. in Finance, June 1989.
Predictability of Stock Returns: Statistical Theory and Evidence.
- 1980-84 **University of California at Los Angeles** **Westwood, CA**
Masters Degree in Economics (6/84), completed concurrently with Bachelors Degree (6/84).

CURRENT POSITION

Stern School of Business, New York University
Charles E. Simon Professor of Applied Financial Economics
and Sidney Homer Director of the Salomon Center (2003-)

EXPERIENCE

- 1995-present **New York University, Stern School of Business** **New York, NY**
Professor of Finance
Courses taught include FinDotCom (Corporate Finance for the New Economy), Debt Instruments and Markets, and International Fixed Income (all at the MBA level), and PhD courses in Financial Econometrics and Investments. Taught Fixed Income Securities in the Executive MBA Program in Finance; voted teacher of the year by the 1996 graduation class and cited in Business week online as one of the 5 best teachers at Stern.
- 1989-94 **University of Pennsylvania, Wharton School** **Philadelphia, PA**
Assistant Professor of Finance
Courses taught include Financial Analysis (core MBA finance class) and Advanced Financial Econometrics (second course in a two-course required sequence in financial econometrics at the Ph.D. level).

PROFESSIONAL ACTIVITIES

Elected NBER Research Associate (Asset Pricing Group, 1996-present).
Elected Member of 1998 Nominating Committee for AFA officers.
Associate Editor, *Review of Financial Studies*, 1997-2000.
Associate Editor, *Journal of Financial and Quantitative Analysis*, 1997-2006.
Associate Editor, *Journal of Finance*, 2003-2005.
Member of the Program Committee for the WFA (1993-2004) and Utah Winter Finance Program Committee (1995-2002).
Referee for over 25 academic journals, including *Journal of Finance*, *Journal of Financial Economics*, *Review of Financial Studies*, *Econometrica*, *Journal of Economic Theory* and *American Economic Review*.

AWARDS

The Barclay Global Investors Australia Research Award (2007)
The Goldman Sachs Asset Management Award for the Best Paper in Investments at the 2006 WFA Meetings (2006)
Smith-Breeden Distinguished Paper Award for *Journal of Finance* (2003)
Rosenthal Award for Financial Innovation (1997).
Teacher of the Year (1996 Executive MBA Graduation Class).
Q-Group Award (1995).
Chicago Quantitative Alliance Prize for Best Paper (1994).
American Association of Individual Investors Award (1992).

PUBLISHED RESEARCH

"New Evidence on the Forward Premium Puzzle" (with Jacob Boudoukh and Robert Whitelaw), 2014, *Journal of Financial and Quantitative Analysis*, forthcoming.

"Regulating Wall Street: The Dodd-Frank Act," *Economic Perspectives*, Federal Reserve Bank of Chicago, 2012, 36: 85-97.

2012, "Implications of the Dodd-Frank Act," (joint with Viral Acharya), forthcoming *Annual Reviews*.

"Market Failures and Regulatory Failures: Lessons from Past and Present Financial Crises," (with Viral Acharya, Thomas Cooley and Ingo Walter), forthcoming in *Financial Sector Regulation and Reforms in Emerging Markets*, edited by Masahiro Kawai and Eswar Prasad, Brookings Institution press (Washington, DCC).

"How to Calculate Systemic Risk Charges," (with Viral Acharya, Lasse Pedersen and Thomas Philippon), forthcoming NBER book on quantifying systemic risk, edited by Joseph Haubrich and Andrew Lo.

"A Multifactor, Nonlinear, Continuous-Time Model of Interest Rate Volatility," (with Jacob Boudoukh, Richard Stanton and Robert F. Whitelaw), forthcoming *Festschrift* in honor of Rob Engle.

"Manufacturing Tail Risk: A Perspective on the Financial Crisis of 2007-2009," (with Viral Acharya, Thomas Cooley and Ingo Walter, *Foundations and Trends in Finance*, Vol. 4: No. 4, 247-325 (2010).

"Causes of the Financial Crisis," (with Viral Acharya), 2009, *Critical Review*, 21 (2-3): 195-210.

"The Myth of Long Horizon Predictability," (with Jacob Boudoukh and Robert Whitelaw), 2008, *Review of Financial Studies*, 21(4): 1577-1605.

"On the Importance of Measuring Dividend Yields: Implications for Empirical Asset Pricing," (with Jacob Boudoukh, Roni Michaely and Michael Roberts), 2007, *Journal of Finance*, 62: 877-915.

"Do Asset Prices Reflect Fundamentals?: Freshly Squeezed Evidence from the FCOJ Market," (with Jacob Boudoukh, YuQing Shen and Robert F. Whitelaw), 2007, *Journal of Financial Economics*, 83: 397-412.

"Limited Arbitrage and Short-sales Restrictions: Evidence from the Options Markets," (with Eli Ofek and Robert Whitelaw), 2004, *Journal of Financial Economics*, Vol. 74, 305-342.

"DotCom Mania: The Rise and Fall of Internet Stock Prices," (with Eli Ofek), 2003, *Journal of Finance*, Vol. 58, 1113-1138. [Received the Smith-Breeden Distinguished Paper Award.]

"On the Asymptotic Power of the Variance Ratio Test" (with Rohit Deo), 2003, *Econometric Theory*, 2003, Vol. 19, 231-239.

"The Valuation and Market Rationality of Internet Stock Prices," *Oxford Review of Economic Policy*, 2002, Vol. 18, pp. 265-287.

"Partial Adjustment or Stale Prices? Implications from Stock Index and Futures Return Autocorrelations" (with Dong-Hyun Ahn, Jacob Boudoukh, and Robert Whitelaw), *Review of Financial Studies*, 2002, Vol 15, pp. 655-689.

Discussion of "Expectations Hypotheses Tests (by Geert Bekaert and Robert Hodrick)", *Journal of Finance*, August 2001, Vol 56, No. 4, pp. 1394-1399.

"Ex Ante Bond Returns and the Liquidity Preference Hypothesis," *Journal of Finance*, 1999, Vol. 54, No. 3, pp. 1153-1167, (with Jacob Boudoukh, Tom Smith and Robert F. Whitelaw).

"Optimal Risk Management Using Options," *Journal of Finance*, 1999, Vol. 54, No. 1, pp. 359-375 (with Dong-Hyun Ahn, Jacob Boudoukh and Robert F. Whitelaw).

"Why Do Stock Prices Move? A Transactions-Based Analysis of NYSE Stocks," *Review of Financial Studies*, Winter 1997, Vol. 10, pp. 1035-1064, (with Ananth Madhavan and Mark Roomans).

"Pricing Mortgage-Backed Securities in a Multifactor Interest Rate Environment: A Multivariate Density Estimation Approach," *Review of Financial Studies*, 1997, Vol. 10, No. 2, pp. 405-446, (with Jacob Boudoukh, Richard Stanton and Robert F. Whitelaw).

"Nonlinearities in the Relation Between the Equity Risk Premium and the Term Structure,"

Management Science, 1997, Vol. 43, No. 3, pp. 371-385, (with Jacob Boudoukh and Robert F. Whitelaw).

“Market Efficiency Around the Clock: Some Supporting Evidence from Foreign-Based Derivatives,” *Journal of Financial Economics*, October 1995, Vol. 39, pp. 161-180, (with Alastair Craig and Ajay Dravid).

“Industry Returns and the Fisher Effect,” *Journal of Finance*, 1994, Vol. 49, No. 5, pp. 1595-1615, (with Jacob Boudoukh and Robert F. Whitelaw).

“A Tale of Three Schools: Insights on Autocorrelations of Short-Horizon Stock Returns,” *Review of Financial Studies*, 1994, Vol. 7, No. 3, pp. 539-573, (with Jacob Boudoukh and Robert F. Whitelaw).

“The Pricing of Dollar-Denominated Yen/DM Warrants,” *Journal of International Money and Finance*, 1994, Vol. 13, No. 5, pp. 517-536, (with Ajay Dravid and Tong-Shen Sun).

“A Unified Approach to Testing for Serial Correlation in Stock Returns,” *Journal of Business*, July 1994, pp. 371-399, (with Tom Smith).

“The Statistics of Long-Horizon Regressions Revisited,” *Mathematical Finance*, April 1994, pp. 103-119, (with Jacob Boudoukh).

“A Direct Test of the Mixture of Distributions Hypothesis: Measuring the Daily Flow of Information,” *Journal of Financial and Quantitative Analysis*, March 1994, pp. 101-116, (with Tom Smith).

“Stock Returns and Inflation: A Long-Horizon Perspective,” *American Economic Review*, December 1993, pp. 1346-1355, (with Jacob Boudoukh).

“Is the Ex-Ante Risk Premium Always Positive? A New Approach to Testing Conditional Asset Pricing Models,” *Journal of Financial Economics*, December 1993, pp. 387-409, (with Jacob Boudoukh and Tom Smith).

“Temporary Components of Stock Prices: A Skeptic’s View,” *Journal of Business and Economics Statistics*, April 1993, pp. 199-207.

“A Test for Multivariate Normality of Stock Returns,” *Journal of Business*, April 1993, pp. 295-321, (with Tom Smith).

“The Monotonicity of the Term Premium: Another Look,” *Journal of Financial Economics*, February 1992, pp. 97-106, (with Paul Richardson and Tom Smith).

“Test of Financial Models in the Presence of Overlapping Observations,” *Review of Financial Studies*, June 1991, pp. 227-254, (with Tom Smith).

“Using Generalized Method of Moments to Test Mean-Variance Efficiency,” *Journal of Finance*, June 1991, pp. 511-527, (with Craig MacKinlay).

“Drawing Inferences from Statistics Based on Multi-Year Asset Returns,” *Journal of Financial Economics*, November 1989, pp. 323-348, (with Jim Stock).

WORKING PAPERS

“Gold” (with Jacob Boudoukh and Jaewon Choi), working paper.

"Which News Moves Stock Prices? A Textual Analysis," (with Jacob Boudoukh, Ronen Feldman and Shimon Kogan), working paper.

“Is Crash Risk Priced? Answers from the Currency Markets” (with Jacob Boudoukh), working paper, NYU Stern School of Business.

“Measuring Systemic Risk,” (with Viral Acharya, Lasse Pedersen and Thomas Philippon), working paper, NYU Stern School of Business.

“The Volatility of the Firm’s Assets and the Leverage Effect,” (with Jaewon Choi), working paper, Stern School of Business.

“The Fundamental Relation Between Equity Returns and Interest Rates,” (with Jaewon Choi, and Robert Whitelaw), working paper, Stern School of Business.

“The Information in Long-Maturity Forward Rates: Implications for Exchange Rates and the Forward Premium Anomaly,” (with Jacob Boudoukh and Robert F. Whitelaw), working paper no. , Stern School of Business.

“Alternative Assets and the Alpha-Beta Tradeoff,” (with Jacob Boudoukh, Richard Stanton and Robert F. Whitelaw), working paper, Stern School of Business.

“The Economics of Asset Management,” (with Jacob Boudoukh, Richard Stanton and Robert F. Whitelaw), working paper, Stern School of Business.

“The Investment Behavior of Private Equity Fund Managers: Theory and Evidence,” (with Alexander Ljungqvist and Daniel Wolfenzon), working paper no. 03-029 , Stern School of Business.

“The Cash Flow, Return and Risk Characteristics of Private Equity,” (with Alexander Ljungqvist), working paper no. 03-001 , Stern School of Business.

"The Pricing and Hedging of Deferred Commission Asset Backed Securities," (with Jacob Boudoukh and Robert F. Whitelaw), working paper no. 00-019, Stern School of Business.

"Regime Shifts and Bond Returns," (with Jacob Boudoukh, Tom Smith and Robert F. Whitelaw), working paper no. 99-010, Stern School of Business.

"The IPO Lock-Up Period: Implications for Market Efficiency and Downward Sloping Demand Curves," working paper, (with Eli Ofek), working paper no. 99-054, Stern School of Business.

BOOK and ARTICLES on the FINANCIAL CRISIS of 2007-2009

"Modernizing Insurance Regulation", John Biggs and Matthew Richardson, editors, New York University Stern School of Business, John Wiley & Sons, forthcoming 2014.

My articles featured in the book:

"Modernizing Insurance Regulation: An Overview" (with John Biggs), chapter 1.
"Is the Insurance Industry Systemically Risky?" (with Viral Acharya), chapter 9.

"Dodd-Frank: One Year On," Viral V. Acharya, Thomas Cooley, Matthew Richardson and Ingo Walter, editors, New York University Stern School of Business, VoxEU, July 2011.

"Guaranteed to Fail: Fannie Mae, Freddie Mac and the Debacle of Mortgage Finance," (with Viral Acharya, Stijn Van Nieuwerburgh and Lawrence J. White), Princeton University Press, March 2011.

"Regulating Wall Street: The Dodd-Frank Act and the New Architecture of Global Finance", Viral V. Acharya, Thomas Cooley, Matthew Richardson and Ingo Walter, editors, New York University Stern School of Business, John Wiley & Sons, November 2010.

My articles featured in the book:

"Prologue: A Bird's Eye View – The Dodd-Frank Wall Street Reform and Consumer protection Act" (with Viral Acharya, Thomas Cooley, Richard Sylla and Ingo Walter);
"Measuring Systemic Risk" (with Viral Acharya, Christian Brownless, Robert Engle and Farhang Farahmand);
"Taxing Systemic Risk" (with Viral Acharya, Lasse Pedersen and Thomas Philippon);
"Capital, Contingent Capital and Liquidity Requirements" (with Viral Acharya and Nirupama Kulkarni);
"Large Banks and the Volcker Rule" (with Roy Smith and Ingo Walter);
"Resolution Authority" (with Viral Acharya, Barry Adler and Nouriel Roubini);
"Systemic Risk and the Regulation of Insurance Companies" (with Viral V. Acharya, John Biggs, Hanhe Le and Stephen Ryan);
"The Government Sponsored Enterprises" (with Viral Acharya, Sabri Oncu, Stijn Van Nieuwerburgh and Lawrence J. White);
"Regulation of Rating Agencies" (with Edward Altman, Sabri Oncu, Anjolein Schmeits and Lawrence J. White); and
"Securitization Reform" (with Joshua Ronen and Marti Subrahmanyam).

"Restoring Financial Stability: How to Repair a Failed System", Viral V. Acharya and Matthew Richardson, editors, New York University Stern School of Business, John Wiley & Sons, March 2009.

My articles featured in the book:

"Prologue: A Bird's Eye View – The Financial Crisis of 2007-2009: Causes and Remedies" (with Viral Acharya, Thomas Philippon and Nouriel Roubini).
"Causes of the Financial Crisis of 2007-2009"
"Mortgage Origination and Securitization in the Financial Crisis" (with Dwight Jaffee, Anthony W. Lynch, and Stijn Van Nieuwerburgh).
"The Rating Agencies: Is Regulation the Answer?" (with Lawrence J. White)
"Financial Institutions"
"What to Do with the Government-Sponsored Enterprises?" (with Dwight Jaffee, Stijn Van Nieuwerburgh, Lawrence J. White and Robert E. Wright).
"Hedge Funds in the Aftermath of the Financial Crisis" (with Stephen J. Brown, Marcin Kacpercyk, Alexander Ljungqvist, Anthony W. Lynch and Lasse Pedersen)
"Corporate Governance in the Modern Financial Sector" (with Viral V. Acharya, Jennifer Carpenter, Xavier Gabaix, Kose John, Marti Subrahmanyam, Rangarajan Sundaram and

Eitan Zemel)

“Rethinking Compensation in Financial Firms” (with Gian Luca Clementi, Thomas Cooley and Ingo Walter)

“Derivatives: the Ultimate Financial Innovation” (with Viral Acharya, Menachem Brenner, Robert Engle and Anthony Lynch)

“Regulating Systemic Risk” (with Viral Acharya, Lasse Pedersen and Thomas Philippon)

“An End to Fannie and Freddie: Putting the Genie Back in the Bottle”, with Viral Acharya, Stijn Van Nieuwerburgh, and Lawrence White, in NYU-Stern e-book “*Dodd Frank: One Year On*”, published on voxeu.

“How to Set Capital Requirements in a Systemically Risky World”, with Viral Acharya, mimeo.

“A Tax on Systemic Risk” with Viral Acharya, Lasse Pedersen, Thomas Philippon and Matthew Richardson, 2010, Chapter 1 in *Post-crisis Regulatory Reforms to Secure Financial Stability*, edited by Seok-Kyun Hur and Taehoon Youn, 2010 Korea Development Institute (KDI) International Conference, 2010.

“How Securitization Concentrated Risk in the Financial Sector,” (with Viral V. Acharya), chapter 7 of the book, “What Caused the Financial Crisis” edited by Jeffrey Friedman, 2011, University of Pennsylvania Press.

“Real Time Solutions for Financial Reform”, Viral Acharya, Thomas Cooley, Matthew Richardson and Ingo Walter, editors, New York University Stern School of Business.

“Causes of the Financial Crisis” (with Viral V. Acharya), 2009, *Critical Review*, 21(2-3): 195-210.

“State of Corporate Finance: It’s Not Over Yet” (with Viral V. Acharya), *Financial Executive*, September 2009, 38-42.

“Government Guarantees: Why We Need to Put the Genie Back in the Bottle,” *The Economist’s Voice*, October 2009.

“What If a Large Complex, Financial Institution Fails?” (with Viral Acharya and Nouriel Roubini), June 2009, mimeo.

“On the Financial Regulation of Insurance Companies,” (with Viral Acharya, John Biggs and Stephen Ryan), September 2009, mimeo.

“Manufacturing Tail Risk: A Perspective on the Financial Crisis of 2007-2009,” (with Viral Acharya, Thomas Cooley and Ingo Walter, forthcoming FT Alternative.

“Market Failures and Regulatory Failures: Lessons from Past and Present Financial Crises,” (with Viral Acharya, Thomas Cooley and Ingo Walter), forthcoming Brookings Papers.

My opeds in newspapers are:

How To Put An End To Fannie And Freddie (*Forbes* - 1/10/12)

Not Even Close (*Huffington Post* - 12/21/11)

Euro's fall may doom all (*NY Post* - 12/7/11)

What Alexander Hamilton can teach the euro zone (*Politico* - 12/6/11)

What to do about U.S. mortgage finance? (*Reuters* - 9/9/11)

White Picket Fence? Not So Fast (*NY Times* – 8/16/2011)

Financial regs are good for growth: We need strong protections to get the economy moving again (*NY Daily News* - 4/22/10)

How to reduce risk on Wall Street? Make the banks pay (*The Washington Post* - 4/11/10)

Fannie & Freddie: The biggest bailout (*NY Post* - 3/29/10)

Obama's Bank Plan Is a Start (*Financial Times* - 1/22/10)

A Curb on Bank Bonuses Misses the Point (*Financial Times* - 10/7/09)

Insolvent banks should feel market discipline (*Financial Times* - 5/6/09)

We Can't Subsidize the Banks Forever (*Wall Street Journal* - 5/5/09)

Concorde's Fate Offers a Lesson for Finance (*Financial Times* - 4/16/09)

Give Credit to Timothy Geithner's New Toxic Asset Plan (*NY Daily News* - 3/25/09)

There's Virtue in Geithner's Vague Bank Plan (*Wall Street Journal* - 2/18/09)

Nationalize the Banks! We're all Swedes Now (*Washington Post* - 2/15/09)

Formula For Fiscal Fitness (*NY Post* - 1/16/09)

PRACTITIONER PAPERS

"MaxVaR: Long Horizon Value at Risk in a Mark-to-Market Environment" (with Jacob Boudoukh, Richard Stanton and Robert Whitelaw), 2004, *Journal of Investment Management*, Vol. 2, No. 3, pp. 14-19.

"Stale Prices and Strategies for Trading Mutual Funds" (with Jacob Boudoukh, Marti Subrahmanyam and Robert Whitelaw), 2002, *Financial Analysts Journal*, Vol. 58, No. 4, pp. 53-71.

"The Best of Both Worlds: A Hybrid Approach to Calculating Value at Risk," *RISK*, forthcoming

1998, (with Jacob Boudoukh and Robert F. Whitelaw).

“Investigation of a Class of Volatility Estimators,” *Journal of Derivatives*, Spring 1997, Vol. 4, No. 3, pp. 63-71, (with Jacob Boudoukh and Robert F. Whitelaw).

“A New Strategy for Dynamically Hedging Mortgage-Backed Securities,” *Journal of Derivatives*, 1995, Vol. 2, No. 4, pp. 60-77, (with Jacob Boudoukh, Richard Stanton and Robert F. Whitelaw).

“Expect the Worst,” *Risk*, September 1995, Vol. 8, No. 9, pp. 100-101, (with Jacob Boudoukh and Robert F. Whitelaw).

“Pricing Foreign Index Contingent Claims: An Application to Nikkei Index Warrants,” *The Journal of Derivatives*, Fall 1993, pp. 33-51, (with Ajay Dravid and Tong-Shen Sun).

“Measuring Aggregate Economic Fundamentals from Short-Term Premia,” *Journal of Fixed Income*, December 1991, pp. 75-86, (with Paul Richardson and Tom Smith).

In Books

“Non-Parametric Mortgage-Backed Security Pricing,” forthcoming in **Advanced Tools for the Fixed Income Professional** (John Wiley & Sons Publishers), 1998, with (Jacob Boudoukh, Richard Stanton and Robert F. Whitelaw).

“Hedging the Interest Rate Risk of Bradys: the Case of Argentinian Fixed and Floating-Rate Bonds,” in **Emerging Market Capital Flows** (Kluwer Academic Publishers, Dordrecht, Netherlands), 1998, (with Dong-Hyun Ahn, Jacob Boudoukh and Robert F. Whitelaw).

“Temporary Components of Stock Prices: A Skeptic's View,” in *Market Efficiency: Stock Market Behavior in Theory and Practice* (Edward Elgar Publishing Inc., Lyme, N.H.), 1997.

“Expect the Worst,” in **VAR: Understanding and Applying Value-at-Risk** (Risk Publications, London, England), 1997, (with Jacob Boudoukh and Robert F. Whitelaw)