

Center for Financial Research

Gabriella Chiesa (Ph.D. Economics LSE) is a professor of Economics at the University of Bologna. Her fields of specialization are Industrial Organization -- problems of common agency and competition; Theory of Financial Intermediation and Regulation – monitoring incentives, risk management, prudential regulation.

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Erik Heitfield is a senior economist at the Federal Reserve Board where he conducts research on the measurement and management of credit risk in complex financial institutions. In 2004 and 2005 Erik co-chaired the Basel Committee's Loss Given Default Working Group and in 2006 and 2007 Erik was a senior staff economist for the President's Council of Economic Advisors. Erik received his Ph.D. in Economics from the University of California at Berkeley in 1998.

Robert Jarrow is the Ronald P. and Susan E. Lynch Professor of Investment Management at the Johnson Graduate School of Management, Cornell University and director of research at Kamakura Corporation. He graduated magna cum laude from Duke University in 1974 with a major in mathematics, received an MBA from Dartmouth College in 1976 with highest distinction, and in 1979 he obtained a PhD in finance from the Massachusetts Institute of Technology under the Nobel laureate Robert Merton. Professor Jarrow is a co-creator of both the Heath-Jarrow-Morton model for pricing interest rate derivatives and the reduced form credit risk models employed for pricing credit derivatives. In commodities, his research was the first to distinguish between forward/futures prices, and he is the creator of the forward price martingale measure. These tools and models are now the standards utilized for pricing and hedging in major investment and commercial banks. He has been the recipient of numerous prizes and awards including the CBOE Pomerance Prize for Excellence in the Area of Options Research, the Graham and Dodd Scrolls Award, and the 1997 IAFE/SunGard Financial Engineer of the Year Award. He is on the advisory board of *Mathematical Finance*— a journal he co-started in 1989. He is also an associate or advisory editor for numerous other journals and serves on the board of directors of several firms and professional societies. He is currently both an IAFE senior fellow and a FDIC senior fellow. He is included in both the Fixed Income Analysts Society Hall of Fame and the Risk Magazine's 50 member Hall of Fame. He has written four books, including the first published textbooks on both the Black Scholes and the HJM models: *Options Pricing, Finance Theory, Modeling Fixed Income Securities and Interest Rate Options (second edition) Derivative Securities (second edition)*, as well as over 130 publications in leading finance and economic journals.

Edward J. Kane is the James F. Cleary Professor of Finance at Boston College. From 1972 to 1992 he held the Everett D. Reese Chair of Banking and Monetary Economics at Ohio State University. A founding member of the Shadow Financial Regulatory Committee, Kane rejoined the organization in 2005. He served for twelve years as a trustee and member of the finance committee of Teachers Insurance. Currently, he consults for the World Bank and is a senior fellow in the Federal Deposit Insurance Corporation's Center for Financial Research. Kane has served as a consultant for numerous agencies, including the Federal Home Loan Bank Board, the IMF, various components of the Federal Reserve System, and three foreign central banks as well as the Congressional Budget Office, the Joint Economic Committee, and the Office of Technology Assessment of the U.S. Congress. He is a past president and fellow of the American Finance Association and a former Guggenheim fellow. He also served as president of the International Atlantic Economic Society and the North American Economics and Finance Association. Kane is a longtime research associate of the National Bureau of Economic Research. Besides authoring three books, he has published widely in professional journals and currently serves on eight editorial boards. He received a BS from Georgetown University and a PhD

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Albert S. “Pete” Kyle. Professor Kyle joined the University of Maryland faculty as the Charles E. Smith Professor of Finance at the Robert H. Smith School of Business in August 2006. He earned his B.S. degree in mathematics from Davidson College in 1974, studied philosophy and economics at Oxford University as a Rhodes Scholar from Texas (1974), and completed his Ph.D. in economics at the University of Chicago in 1981. He was a professor at Princeton University’s Woodrow Wilson School from 1981-1987, at the University of California’s Haas Business School in Berkeley from 1987-1992, and at Duke University from 1992-2006.

Professor Kyle’s research focuses on market microstructure. His research includes topics such as informed speculative trading, market manipulation, price volatility, the information content of market prices, market liquidity, and contagion. His current research also deals with concepts from industrial organization to model the valuation dynamics of growth stocks and value stocks by applying techniques used to value real options.

His teaching interests include market microstructure, venture capital and private equity, institutional money management, corporate finance, option pricing, and asset pricing.

He was elected Fellow of the Econometric Society in 2002. He was a board member of the American Finance Association from 2004-2006. He served as a staff member of the Presidential Task Force on Market Mechanisms (Brady Commission), after the stock market crash of 1987.

Luc Laeven is a Senior Economist in the Research Department of the International Monetary Fund. Prior to this, he was a Senior Financial Economist in the Financial Sector Department of the World Bank and worked at ABN Amro Bank. His research focuses on international banking and corporate finance issues and has been published in top academic journals, including the *Journal of Finance*, the *Journal of Financial Economics*, and the *Review of Financial Studies*. He has also co-edited a book on *Systemic Financial Crises: Containment and Resolution* published by Cambridge University Press, a book on *Deposit Insurance around the World: Issues of Design and Implementation* published by MIT Press, and a *Reader on International Corporate Finance*. He is a Research Affiliate in the Financial Economics Programme of the Centre for Economic Policy Research (CEPR) in London and a Research Associate at the European Corporate Governance Institute (ECGI). He has studied at Tilburg University, the University of Amsterdam, and the London School of Economics.

George G. Pennacchi is a professor of finance and a co-director of the Office for Banking Research at the University of Illinois at Urbana-Champaign. He is also a Research Associate at the Federal Reserve Bank of Cleveland. His research focuses on financial intermediaries and the valuation of fixed-income securities and government guarantees. Currently, he is an editor of the *Journal of Financial Intermediation* and an associate editor of the *Journal of Financial and Quantitative Analysis*, the *Journal of Financial Services Research*, and the *Journal of Money, Credit and Banking*. Previously, he was an associate editor for the *Journal of Banking and Finance*, the *Journal of Finance*, the *Review of Financial Studies*, and *Management Science*, and a co-editor of *Advances in Futures and Options Research*. His consulting experience includes work for the U.S. Office of Management and Budget, the World Bank, and the International Monetary Fund. He has been a visiting professor at Università Bocconi in Milan, Italy, and was a member of the finance faculty at the Wharton School of the University of Pennsylvania. Mr. Pennacchi received a Sc.B. degree in applied mathematics from Brown University in 1977 and a Ph.D. in economics from the Massachusetts Institute of Technology in 1984.

Chester Spatt is the Kenneth B. and Pamela R. Dunn Professor of Finance at the Tepper School of Business at Carnegie Mellon University and Director of its Center for Financial Markets, where he has taught since 1979. He served as Chief Economist of the U.S. Securities and Exchange Commission and Director of its Office of Economic Analysis from July 2004 through July 2007. He earned his Ph.D. in economics from the University of Pennsylvania and received his undergraduate degree from Princeton University.

Professor Spatt is a well-known scholar studying financial economics with broad interests in financial markets. He has analyzed extensively market structure, pricing and valuation, and the impact of information in the marketplace. For example, he has been a leading expert on the design of security markets in various settings, mortgage valuation, and taxation and investment strategy. His co-authored 2004 paper in the *Journal of Finance* on asset location won TIAA-CREF's Paul Samuelson Award for the Best Publication on Lifelong Financial Security. He has served as Executive Editor and one of the founding editors of the *Review of Financial Studies*, President and a member of the Founding Committee of the Society for Financial Studies, President of the Western Finance Association, and is currently an Associate Editor of several finance journals. He also is currently a Member of the Shadow Financial Regulatory Committee as well as the Financial Economists Roundtable and a Fellow of the TIAA—CREF Institute. Finally, he also has served as an expert for the Federal Energy Regulatory Commission (FERC) in its investigation of market manipulation in the Western energy markets in 2000 and 2001.

Anjan Thakor, Senior Associate Dean and John E. Simon Professor of Finance Prior to joining the Olin Business School, Thakor was The Edward J. Frey Professor of Banking and Finance at the Ross School of Business, University of Michigan, where he also served as chairman of the Finance area. He has served on the faculties of Indiana University, Northwestern University, and UCLA. He has worked with many companies, including Whirlpool Corporation, Allison Engine Co., Citigroup, RR Donnelley, Dana Corporation, Anheuser-Busch, Zenith Corporation, Lincoln National Corporation, J.P. Morgan, Landscape Structures, Inc., CIGNA, Borg-Warner Automotive, Waxman Industries, Reuters, The Limited, Ryder Integrated Logistics, AT&T, CH2M Hill, Takata Corporation, Tyson Foods, Spartech. He has published over 75 research papers and 7 books. He is past managing Editor of the *Journal of Financial Intermediation* and past-President of the Financial Intermediation Research Society.

James Thompson is an Assistant Professor of Finance in the School of Accounting and Finance at the University of Waterloo. His PhD is from the Department of Economics at Queen's University in 2008. His research focuses on topics such as banking, credit risk transfer, liquidity and stability.

Stuart M. Turnbull is the Bauer Chair Professor of Finance, the Bauer College of Business at the University of Houston. He was a Senior Vice President, Fixed Income Research, Lehman Brothers, New York. Prior to joining Lehman Brothers, he was Vice President, Risk Management Division, Canadian Imperial Bank of Commerce, Toronto, Ontario.

Stuart has authored over fifty academic papers in the areas of financial economics, law and economics, and the general area of derivatives. He is currently an Associate Editor of the *Journal of Mathematical Finance*, the *International Journal of Theoretical and Applied Finance* and the *Journal of Derivatives*. He was the editor of the *Journal of Credit Risk*. He has published two books on derivatives.

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Andrew Winton

Finance Department Chair and Minnesota Banking Industry Professor of Finance Andrew Winton has been at the Finance Department of the University of Minnesota's Carlson School of Management since 1998. He was at Northwestern University's Kellogg Graduate School of Management from 1991 to 1998. He received an AB in Mathematics from Princeton University in 1980, an MBA in Finance from Wharton in 1982, and a Ph.D. in Finance from Wharton in 1990. Before entering academia, he worked from 1982 to 1987 in the asset/liability management department of CoreStates Financial Corp.

Winton's teaching and research focus on corporate finance, financial contracts, and financial institutions. Some of his recent research topics are the impact of loan sales and credit default swaps on loan monitoring and performance, how bank capital levels and borrower liquidity influence lending

terms, and how the incidence of financial fraud varies with business conditions. He has published in a number of top-ranked finance journals and is currently an Associate Editor of the *Journal of Finance* and *Journal of Financial Intermediation*.