

Lorenzo Garlappi

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University of British Columbia

Sauder School of Business

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Academic Appointments

- 2009– Associate Professor, Department of Finance, Sauder School of Business, University of British Columbia.
- 2008–2009 Visiting Associate Professor, Department of Finance, Sauder School of Business, University of British Columbia.
- 2007–2008 Associate Professor, Department of Finance, McCombs School of Business, University of Texas at Austin.
- 2001–2007 Assistant Professor, Department of Finance, McCombs School of Business, University of Texas at Austin.

Education

- 2001 University of British Columbia, Vancouver, Canada. Ph.D., Finance.
Thesis title: “Essays in Asset Pricing.” Advisors: Vasant Naik and Tan Wang.
- 1997 Università di Trieste, Trieste, Italy. Doctorate, Mathematical Economics.
- 1992 Università Bocconi, Milan, Italy. Laurea Degree in Economics. Graduated with 110/110 *Magna Cum Laude*.

Publications

1. Garlappi, L. and Z. Song, 2016 “Capital Utilization, Market Power, and the Pricing of Investment Shocks,” *Journal of Financial Economics*, Forthcoming.
2. Garlappi, L., R. Giammarino and A. Lazrak, 2016, “Ambiguity and the Corporation: Group Disagreement and Underinvestment,” *Journal of Financial Economics*, Forthcoming.
3. Garlappi, L., and Z. Song, 2016, “Can Investment Shocks Explain the Cross-Section of Equity Returns?,” *Management Science*, Forthcoming.
4. Bena, J., L. Garlappi, and P. Grüning, 2016, “Heterogeneous Innovation, Firm Creation and Destruction, and Asset Prices.” *The Review of Asset Pricing*, Vol. 6, No. 1, pp. 46–87.
5. Boyle, P., L. Garlappi, R. Uppal, and T. Wang, 2012, “Keynes Meets Markowitz: The Trade-off Between Familiarity and Diversification.” *Management Science*, Vol. 58, No. 2, pp. 253–272.
6. Garlappi, L., and G. Skoulakis, 2011, “Taylor Series Approximations to Expected Utility and Optimal Portfolio Choice.” *Mathematics and Financial Economics*, Vol. 5, No. 2, pp. 121–156
7. Garlappi, L., and H. Yan, 2011, “Financial Distress and the Cross Section of Equity Returns.” *The Journal of Finance*, Vol. 66, No. 3, pp. 789–822.

8. Garlappi, L., and G. Skoulakis, 2010, "Solving Consumption and Portfolio Choice Problems: The State Variable Decomposition Method." *The Review of Financial Studies*, Vol. 23, pp.3346–3400.
9. Brown, K. C., L. Garlappi, and C. Tiu, 2009, "Asset Allocation and Portfolio Performance: Evidence from University Endowment Funds." *Journal of Financial Markets*, Vol. 13, 2010, pp. 268–294.
10. DeMiguel, V., L. Garlappi, F. J. Nogales, and R. Uppal, 2009, "A Generalized Approach to Portfolio Optimization: Improving Performance by Shrinking Portfolio Norms." *Management Science*, Vol. 55, No. 5, May 2009, pp. 798–812.
11. Garlappi, L., and G. Skoulakis, 2009, "Numerical Solutions to Dynamic Portfolio Problems: The Case for Value Function Iteration Using Polynomial Approximations." *Computational Economics*, Vol.33, Issue 2, pp. 193–207.
12. DeMiguel, V., L. Garlappi, and R. Uppal, 2009, "Optimal versus Naive Diversification: How Inefficient Is the $1/N$ Portfolio Strategy?" *The Review of Financial Studies*, Vol. 22, No. 5, pp. 1915–1953. Awarded the Prize for the Best Paper presented at the conferences of the Institute for Quantitative Investment Research (INQUIRE-UK) in 2005.
13. Garlappi, L., T. Shu , and H. Yan, 2008, "Default Risk, Shareholder Advantage, and Stock Returns." *The Review of Financial Studies*, Vol. 21, No. 6, pp. 2743–2778.
14. Agrawal, A., and L. Garlappi, 2007, "Public Sector Science and the Strategy of the Commons." *Economics of Innovation and New Technology*, Vol. 16, No. 7, October 2007, pp. 517–539. An abridged version appeared also in the *Best Paper Proceedings* for the Academy of Management, Business Policy and Strategy Division.
15. Garlappi, L., R. Uppal, and T. Wang, 2007, "Portfolio Selection with Parameter and Model Uncertainty: A Multi-Prior Approach," *The Review of Financial Studies*, Vol. 20, No. 1, pp. 41–81. Awarded the Prize for the Best Paper presented at the conferences of the Institute for Quantitative Investment Research (INQUIRE-UK) in 2003.
16. Garlappi, L., and J. Huang, 2006, "Are Stocks Desirable in Tax-Deferred Accounts?" *Journal of Public Economics*, Vol. 90, No. 12, December 2006, pp. 2257–2283.
17. Garlappi, L., 2004, "Risk Premia and Preemption in R&D Ventures," *Journal of Financial and Quantitative Analysis*, Vol. 39, No. 4, December 2004, pp. 843–872.
18. Garlappi, L., 1996, "Equilibrium with Endogenous Technological Changes: Theory and Applications," *Decisions in Economics and Finance*, Vol. 19. pp. 53–79.

Working Papers (arranged alphabetically by last name of author)

19. Favilukis, J. and L. Garlappi, “The Carry Trade and Uncovered Interest Parity when Markets are Incomplete.”
20. L. Garlappi, G. Skoulakis and J. Xue , “Market Return Predictability and Industry Linkages.”
21. Garlappi, L. and Z. Song, 2014 “Investment-based Pricing of Investment Shocks”
22. Garlappi, L. and G. Skoulakis, 2012 “Dynamic Consumption and Portfolio Choice under Model and Parameter Uncertainty: Learning about Return Predictability.”
23. Bena, J. and L. Garlappi, 2012, “Corporate Innovation and Returns.”

Honors, Awards and Grants

- 2016 SSHRC Insight Development Grant (C\$ 67,250) for the project: “Ambiguity and Group Decision making,” co-authored with Chloe Tergiman.
- 2016 SSHRC Insight Development Grant (C\$ 70,000) for the project: “Currency movements and carry trade profits,” co-authored with Jack Favilukis.
- 2013 SSHRC Grant (C\$ 109,900) for the project: “Dynamic Consumption and Portfolio Choice under Model and Parameter Uncertainty: Learning about Return Predictability,” co-authored with Georgios Skoulakis.
- 2012 Bureau of Asset Management Grant (C\$ 10,000) for the project: “Asset Allocation in an Uncertain World: Implications for Pension Plan Portfolio Strategies”, co-authored with Georgios Skoulakis.
- 2011 SSHRC Grant (C\$ 56,042) for the project: “The Social Welfare Costs of Stock Market Inefficiencies”, co-authored with Harjoat Bhamra and Jason Chen.
- 2010 Bureau of Asset Management Grant (C\$ 6,000) for the project: “Technological Progress, Industry Rivalry, and Stock Returns”, co-authored with Jan Bena.
- 2010 SSHRC Grant (C\$ 47,500) for the project: “Corporate Defaults and Asset Prices: an Equilibrium Perspective”, co-authored with Tan Wang.
- 2010 Crowell Memorial Prize, Panagora Asset Management (second prize, \$3,000) for the project: “Financial Distress and The Cross Section of Equity Returns,” co-authored with Hong Yan.
- 2009 Grant from INQUIRE U.K. (\$10,000) for the project: “Keynes Meets Markowitz: The Trade-off between Familiarity and Diversification,” co-authored with Phelim Boyle, Raman Uppal and Tan Wang.
- 2007 Grant from Q-Group (\$10,000) for the project: “The Troves of Academe: Asset Allocation and the Investment Performance of University Endowment Funds,” co-authored with Keith Brown, and Cristian Tiu
- 2007 Grant from INQUIRE U.K. (\$16,000) for the project: “A Generalized Approach to Portfolio Optimization: Improving Performance by Shrinking Portfolio Norms,” co-authored with Victor DeMiguel, Francisco Javier Nogales, and Raman Uppal
- 2007 Nominated for the CBA Foundation *Research Excellence Award* for Assistant Professors at the McCombs School of Business, University of Texas at Austin.
- 2007 Received the Trammell/CBA Foundation *Teaching Award* for Assistant Professors at the McCombs School of Business, University of Texas at Austin.
- 2006 Nominated for the Trammell/CBA Foundation *Teaching Award* for Assistant Professors at the McCombs School of Business, University of Texas at Austin.
- 2005 Prize for the *Best Paper* presented at the 2005 conferences of INQUIRE-UK for: “Optimal versus Naive Diversification: How Inefficient Is the $1/N$ Portfolio Strategy?” co-authored with V. DeMiguel and R. Uppal.
- 2003 Prize for the *Best Paper* presented at the 2003 conferences of INQUIRE-UK for: “Portfolio Selection with Parameter and Model Uncertainty: A Multi-Prior Approach,” co-authored with R. Uppal and T. Wang.
- 2002 Prize for the *Best Paper* in the Academy of Management, Business Policy and Strategy Division, for: “Public Sector Science and the Strategy of the Commons,” co-authored with A. Agrawal.
- 1999 University of British Columbia Graduate Fellowship.
- 1995–1998 University of British Columbia Killam Pre-Doctoral Fellowship, awarded each year to 20–25 doctoral students of outstanding calibre throughout all Canadian Universities.

1995 Bocconi University “Amici della Bocconi” Fellowship.

Professional Activities

Associate Editor for *Management Science*, *Review of Finance*, *Quarterly Journal of Finance*, *Decisions in Economics and Finance*, *Canadian Journal of Administrative Sciences*.

Member of review committee for: *Western Finance Association*, *European Finance Association*, *Northern Finance Association*, *RFS Cavalcade*.

Referee for the following journals

Econometrica; *Empirical Economics*; *Financial Research Letters*; *Journal of Applied Econometrics*; *Journal of Economic Dynamics and Control*; *Journal of Finance*; *Journal of Financial Economics*; *Journal of Financial And Quantitative Analysis*; *Journal of Monetary Economics*; *Management Science*; *Mathematical Finance*; *Operations Research*; *Review of Finance*; *Review of Financial Economics*; *The Review of Asset Pricing Studies*; *The Review of Financial Studies*; *Review of International Economics*.

Conference presentations and discussions

2016 *Western Finance Association, Park City.*

Paper discussed: “Does Incomplete Spanning in International Financial Markets Help to Explain Exchange Rates,” by Hanno Lustig and Adrien Verdelhan

2015 *Northern Finance Association, Lake Louise.*

Paper discussed: “The Economic Consequences of Monetary Policy Uncertainty,” by Chung Yuen

2015 *Western Finance Association, Seattle.*

Paper discussed: “Strategic Risk Shifting and the Idiosyncratic Volatility Puzzle,” by Zhiyao Chen, Ilya Strebulaev and Yuhang Xing.

2014 *3rd ITAM Conference, Mexico City.*

Paper presented: “Heterogeneous Innovation, Firm Creation and Destruction, and Asset Prices”

2014 *22nd Mitsui Finance Symposium, Ann Arbor, MI.*

Paper presented (by co-author): “Ambiguity in Corporate Finance: Real Investment Dynamics.”

2014 *Edinburgh Corporate Finance Conference 2014, Edinburgh, Scotland.*

Paper presented (by co-author): “Ambiguity in Corporate Finance: Real Investment Dynamics.”

2013 *2nd Meeting of the Macro Finance Society, New York.*

Paper presented: “Market Power and Capital Utilization: A New Perspective on the Pricing of Technology Shocks.”

2013 *Northern Finance Association, Quebec City.*

Paper presented (by co-author): “Ambiguity in Corporate Finance: Real Investment Dynamics.”

2013 *European Finance Association, Cambridge, UK.*

Paper presented (by co-author): “Ambiguity in Corporate Finance: Real Investment Dynamics.”

- 2013 *Western Finance Association, Lake Tahoe, NV.*
Paper presented (by co-author): “Ambiguity in Corporate Finance: Real Investment Dynamics.”
- 2013 *Workshop on Ambiguity and Robustness in Macroeconomics and Finance - University of Chicago*
Paper presented: “Ambiguity in Corporate Finance”
- 2012 *Advances in Macro-Finance Tepper-LAEF Conference*
Paper presented: “Can Investment-specific Technology Shocks Explain the Cross-section of Stock Returns?”
- 2011 *European Finance Association, Stockholm, Sweden.*
Paper presented: “Strategic Investments, Technological Uncertainty, and Expected Return Externalities.”
- 2011 *Western Finance Association, Santa Fe, NM.*
Paper presented (by co-author): “Strategic Investments, Technological Uncertainty, and Expected Return Externalities.”
- 2011 *SFS Cavalcade, Ann Arbor, MI.*
Paper presented (by co-author): “Strategic Investments, Technological Uncertainty, and Expected Return Externalities.”
- 2011 *Texas Finance Festival, Horseshoe Bay, TX.*
Paper Discussed: “Different Affective Learning Systems Contribute to the Accumulation of Assets and Debt,” by Brian Knutson, Camelia M. Kuhnen, and Gregory R. Samanez-Larkin.
- 2010 *Financial Research Association Meeting, Las Vegas, ND.*
Paper presented: “Technological Progress, Industry Rivalry, and Expected Returns.”
- 2010 *Western Finance Association Meetings, Victoria, BC.*
Paper discussed: “International Asset Pricing with Risk Sensitive Rare Events,” by Riccardo Colacito and Mariano M. Croce.
- 2010 *Fields Institute Workshop on Computational Method in Finance, Toronto, ON.*
Paper presented: “Solving Consumption and Portfolio Choice Problems: The State Variable Decomposition Method.”
- 2010 *American Finance Association Meetings, Atlanta, GA.*
Paper presented: “Keynes Meets Markowitz: The Trade-off Between Familiarity and Diversification.”
- 2009 *Pacific Northwest Conference, Seattle, WA.*
Paper presented: “Solving Consumption and Portfolio Choice Problems: The State Variable Decomposition Method.”
- 2009 *UBC Summer Conference, Kelowna, BC, Canada.*
Paper discussed: “Growth Opportunities, Investment-Specific Technology Shocks and the Cross-Section of Expected Returns” by Leonid Kogan and Dimitris Papanikolaou.
- 2008 *European Finance Association Meetings, Athens, Greece.*
Paper presented: “A State Variable Decomposition Methodology for Solving Portfolio Choice Problems”

- 2008 *Western Finance Association Meetings, Kona, HI.*
Paper presented: "A State Variable Decomposition Methodology for Solving Portfolio Choice Problems"
- 2008 *Second McGill Conference on Risk Management, Mont Tremblant, QC, Canada.*
Paper presented: "A Generalized Approach to Portfolio Optimization: Improving Performance by Shrinking Portfolio Norms."
Paper discussed: "Idiosyncratic Volatility, Growth Options, and the Cross-Section of Returns," by Alexander Barinov.
- 2008 *American Finance Association, New Orleans, LA*
Paper presented: "Financial Distress and the Cross-Section of Equity Returns."
Paper presented: "A Generalized Approach to Portfolio Optimization: Improving Performance by Shrinking Portfolio Norms."
- 2007 *18th Conference on Financial Economics and Accounting, New York University, Stern School of Business.*
Paper presented: "Financial Distress and the Cross-Section of Equity Returns."
- 2007 *NBER Asset Pricing Meetings, Chicago, IL.*
Paper presented: "Financial Distress and the Cross-Section of Equity Returns."
- 2007 *Western Finance Association Meetings, Big Sky, MT.*
Paper presented: "The Troves of Academe: Asset Allocation, Risk Budgeting, and Investment Performance of University Endowment Funds."
- 2006 *NBER Summer Institute: Asset Pricing Workshop, Cambridge, MA.*
Paper presented: "Optimal versus Naive Diversification: How Inefficient Is the $1/N$ Portfolio Strategy?"
- 2006 *Texas Finance Festival, San Antonio, TX.*
Paper presented: "Default Risk, Shareholder Advantage and Stock Returns."
- 2006 *Festkolloquium in honor of Phelim Boyle, Waterloo, ON, Canada.*
Paper presented: "Default Risk, Shareholder Advantage, and Stock Returns."
- 2006 *Moody's & Salomon Center (NYU) Third Credit Risk Conference, New York, NY.*
Paper presented: "Default Risk, Shareholder Advantage, and Stock Returns."
- 2006 *Western Finance Association Meetings, Keystone, CO.*
Paper discussed: "The Value of Financial Flexibility," by Andrea Gamba and Alexander J. Triantis.
- 2006 *UBC Summer Conference, Whistler, BC, Canada.*
Paper discussed: "What Can Rational Investors Do About Excessive Volatility and Sentiment Fluctuations?" by Bernard Dumas, Alexander Kurshev, and Raman Uppal.
- 2005 *Second McGill Conference on Global Asset Management, Montreal, QC, Canada.*
Paper presented: "Optimal versus Naive Diversification: How Inefficient Is the $1/N$ Portfolio Strategy?"
- 2005 *Western Finance Association Meetings, Portland, OR.*
Paper presented: "Optimal versus Naive Diversification: How Inefficient Is the $1/N$ Portfolio Strategy?"
Paper discussed: "Parametric Portfolio Policies: Exploiting Characteristics in the Cross Section of Equity Returns," by Michael W. Brandt, Pedro Santa-Clara, and Rossen Valkanov.

- Paper discussed: "A Patent Race in Real Options Setting: Investment Strategy, Valuation, CAPM Beta, and Return Volatility," by Rujing Meng.
- 2005 *UBC Summer Conference, Tofino, BC, Canada.*
Paper discussed: "Linear Approximations, Information Proxies, and Tests of Conditional Pricing Models," by Michael W. Brandt and David A. Chapman.
- 2004 *Western Finance Association Meetings, Vancouver, BC, Canada.*
Paper presented (by co-author): "Are Stocks Desirable in Tax-Deferred Accounts?"
- 2004 *AGSM Finance and Accounting Research Camp, Sydney, NSW, Australia.*
Paper presented: "Portfolio Selection with Parameter and Model Uncertainty: A Multi-Prior Approach."
- 2004 *UBC Summer Conference, Tofino, BC, Canada.*
Paper presented: "Portfolio Selection with Parameter and Model Uncertainty: A Multi-Prior Approach."
- 2003 *UBC Summer Conference, Vancouver, BC, Canada.*
Paper discussed: "Is It Optimal to Accelerate the Payment of Income Tax on Share-Based Compensation?" by Robert L. McDonald.
- 2002 *Financial Management Association Meetings, San Antonio, TX.*
Paper discussed: "An Analytic Derivation of the Investment Opportunity Function: An Application of Real Options Theory," by Franklin A. Michello and Zachariah Sinkala.
- 2001 *American Finance Association Meetings, New Orleans, LA.*
Paper presented: "Risk Premia and Preemption in the Valuation of R&D Ventures."
- 2001 *Northern Finance Association, Halifax, NS, Canada.*
Paper presented: "Capital Gains Taxes and the Cost of Delegated Portfolio Management."
- 2000 *Western Finance Association Meetings, Sun Valley, ID.*
Paper presented: "Risk Premia and Preemption in the Valuation of R&D Ventures."
- 2000 *European Finance Association Meetings, London, UK.*
Paper presented: "Risk Premia and Preemption in the Valuation of R&D Ventures."
- 2000 *First World Congress of the Bachelier Finance Society, Paris, France.*
Paper presented: "Risk Premia and Preemption in the Valuation of R&D Ventures."

Invited presentations

- 2017 *McMaster University.*
Paper presented: "The Carry Trade and Uncovered Interest Parity when Markets are Incomplete."
- 2016 *BI University Oslo.*
Paper presented: "The Carry Trade and Uncovered Interest Parity when Markets are Incomplete."
- 2016 *University of Miami.*
Paper presented: "Market Power and Capital Utilization: A New Perspective on the Pricing of Technology Shocks"

- 2016 *Laval University*.
Paper presented: “The Carry Trade and Uncovered Interest Parity when Markets are Incomplete.”
- 2015 *Texas A&M, Mays*.
Paper presented: “Market Power and Capital Utilization: A New Perspective on the Pricing of Technology Shocks”
- 2014 *Berkeley, Haas*.
Paper presented: “Heterogeneous Innovation, Firm Creation and Destruction, and Asset Prices”
- 2014 *University of Lausanne*.
Paper presented: “Market Power and Capital Utilization: A New Perspective on the Pricing of Technology Shocks”
- 2014 *University of Rochester*.
Paper presented: “Market Power and Capital Utilization: A New Perspective on the Pricing of Technology Shocks”
- 2014 *University of Maryland*.
Paper presented: “Market Power and Capital Utilization: A New Perspective on the Pricing of Technology Shocks”
- 2014 *Northern Illinois University*.
Paper presented: “Ambiguity in Corporate Finance: Entrepreneurs, Boards and Real Investment Dynamics”
- 2014 *Concordia University*.
Paper presented: “Heterogeneous Innovation, Firm Creation and Destruction, and Asset Prices”
- 2014 *Ryerson University*.
Paper presented: “Heterogeneous Innovation, Firm Creation and Destruction, and Asset Prices”
- 2013 *University of Melbourne*.
Paper presented: “Ambiguity in Corporate Finance: Real Investment Dynamics”
- 2013 *Chicago Federal Reserve*.
Paper presented: “Corporate Innovation and Returns.”
- 2012 *Vanderbilt University*.
Paper presented: “Corporate Innovation and Returns.”
- 2012 *University of Utah*.
Paper presented: “Corporate Innovation and Returns.”
- 2012 *Università Bocconi, Milan, Italy*.
Paper presented: “Ambiguity and Corporate Finance.”
- 2012 *University of Aarhus, Denmark*.
Paper presented: “Ambiguity and Corporate Finance.”
- 2012 *Copenhagen Business School*.
Paper presented: “Ambiguity and Corporate Finance.”

- 2012 *University of Frankfurt, Frankfurt, Germany.*
Paper presented: "Ambiguity and Corporate Finance."
- 2012 *CKGSB, Beijing.*
Paper presented: "Corporate Innovation and Returns."
- 2012 *SAIF, Shanghai.*
Paper presented: "Corporate Innovation and Returns."
- 2011 *University of Sydney.*
Paper presented: "Strategic Investments, Technological Uncertainty, and Expected Return Externalities."
- 2011 *University of New South Wales.*
Paper presented: "Strategic Investments, Technological Uncertainty, and Expected Return Externalities."
- 2011 *University of Technology, Sydney.*
Paper presented: "Strategic Investments, Technological Uncertainty, and Expected Return Externalities."
- 2011 *Australian National University, Canberra.*
Paper presented: "Strategic Investments, Technological Uncertainty, and Expected Return Externalities."
- 2011 *University of Waterloo.*
Paper presented: "Strategic Investments, Technological Uncertainty, and Expected Return Externalities."
- 2009 *Singapore National University .*
Paper presented: "Financial Distress and the Cross Section of Equity Returns."
- 2009 *Singapore Management University.*
Paper presented: "Financial Distress and the Cross Section of Equity Returns."
- 2009 *Hong Kong University.*
Paper presented: "Financial Distress and the Cross Section of Equity Returns."
- 2009 *City University of Hong Kong.*
Paper presented: "Financial Distress and the Cross Section of Equity Returns."
- 2009 *Hong Kong University of Science and Technology.*
Paper presented: "Financial Distress and the Cross Section of Equity Returns."
- 2009 *University of British Columbia.*
Paper presented: "Financial Distress and the Cross Section of Equity Returns."
- 2008 *Università Cà Foscari, Venezia, Italy.*
Paper presented: "Keynes Meets Markowitz: the Trade-off between Familiarity and Diversification."
- 2008 *Università Bocconi, Milano, Italy.*
Paper presented: "Financial Distress and the Cross Section of Equity Returns."
- 2008 *University of Calgary.*
Paper presented: "Financial Distress and the Cross Section of Equity Returns."

- 2008 *HEC Montréal, Canada.*
Paper presented: “Financial Distress and the Cross Section of Equity Returns.”
- 2008 *Brigham Young University.*
Paper presented: “Financial Distress and the Cross Section of Equity Returns.”
- 2008 *University of Texas at San Antonio.*
Paper presented: “Financial Distress and the Cross Section of Equity Returns.”
- 2008 *University of Illinois Urbana Champaign.*
Paper presented: “Financial Distress and the Cross Section of Equity Returns.”
- 2007 *University of Lausanne (HEC), Lausanne, Switzerland.*
Paper presented: “Financial Distress and the Cross Section of Equity Returns.”
- 2007 *McGill University, Montréal, Canada.*
Paper presented: “Financial Distress and the Cross Section of Equity Returns.”
- 2007 *University of Toronto, Rotman School of Management, Toronto, Canada.*
Paper presented: “Financial Distress and the Cross Section of Equity Returns.”
- 2006 *University of Vienna, Vienna, Austria.*
Paper presented: “Default Risk, Shareholder Advantage, and Stock Returns.”
- 2006 *Texas A&M University, Mays School of Business.*
Paper presented: “Financial Distress and the Cross Section of Equity Returns.”
- 2005 *University of California at Berkeley, Haas School of Business.*
Paper presented: “Default Risk, Shareholder Advantage, and Stock Returns.”
- 2005 *University of Lausanne (HEC), Lausanne, Switzerland.*
Paper presented: “Default Risk, Shareholder Advantage, and Stock Returns.”
- 2004 *University of Minnesota, Carlson School of Management.*
Paper presented: “Portfolio Selection with Parameter and Model Uncertainty: A Multi-Prior Approach.”
- 2002 *Hong Kong University of Science and Technology, Hong Kong.*
Paper presented: “Capital Gains Taxes and the Cost of Delegated Portfolio Management.”
- 2001 Paper: “Risk Premia and Preemption in the Valuation of R&D Ventures,” (Job Market Paper) presented at:
- University of Texas at Austin, McCombs School of Business.*
- Northwestern University, Kellogg School of Management.*
- New York University, Stern School of Business.*
- Queen’s University, Kingston, Ontario, Canada.*
- University of Waterloo, Ontario, Canada.*
- University of Colorado at Boulder.*
- Washington University in St. Louis, Olin School of Business.*
- 2000 *University of California at Berkeley, Haas School of Business.*
Paper presented: “Risk Premia and Preemption in the Valuation of R&D Ventures.”

Teaching and Student Supervision

Graduate students supervised at The University of Texas at Austin

Ph.D. committee member for:

- Alberto Romero, Finance Department, UBC.
- Pablo Moran, Finance Department, UBC.
- Olier Boguth, Finance Department, UBC.
- Chunyu Yang, Information, Risk, and Operations Management (IROM) Department, UT Austin.
- Ti Zhou, Mathematics Department, UT Austin.
- Michalis Anthropolos, Mathematics Department, UT Austin.
- Yosef Bonaparte, Economics Department, UT Austin.
- Tao Shu, Finance Department, UT Austin. Thesis title: “Institutional Trading and Stock Price Efficiency.”
- Denys Glushkov, Finance Department, UT Austin. Thesis title: “Two Essays on Market Behavior.”
- Cristian Tiu, Finance Department, UT Austin. Thesis title: “Systematic Risk in Hedge Funds.”
- Shisheng Qu, Finance Department, UT Austin.
- Dragon Tang, Finance Department, UT Austin. Thesis title: “Essays on Credit Risk.”
- José Olivares, Finance Department, UT Austin. Thesis title: “On the Chilean Pension Funds Market.”
- Uzi Yoeli, Finance Department, UT Austin. Thesis title: “Asset Pricing Dynamics in a Fragile Economy: Theory and Evidence.”

Courses taught

- Asset Pricing Theory (to Ph.D. students).
- Investments (to undergraduate and MBA students).
- Financial Risk Management (to undergraduate and MBA students).
- Financial Engineering (to undergraduate students).

Research Interests

- Asset pricing, real options, credit risk
 - Asset pricing implications of corporate investment decisions.
 - Financial distress and asset pricing.
 - Investment, growth options, and dynamic capital structure decisions.
- Asset allocation and portfolio choice

- Portfolio choice with frictions in the form of constraints and/or taxes.
- Portfolio decisions in the presence of parameter and model uncertainty.
- Numerical methods for dynamic optimization problems.

Biographical sketch

Lorenzo Garlappi is Associate Professor of Finance at the University of British Columbia, Sauder School of Business. Prior to joining UBC, he was Associate Professor of Finance at the University of Texas at Austin in the McCombs School of Business. He holds a bachelor's degree in Economics (with honors) from Bocconi University, Milan, Italy, a doctorate in Mathematical Economics from Trieste University, Italy, and a Ph.D. in Finance from the University of British Columbia, Vancouver, Canada.

Most of his research focuses on investments, and, within this set, his work to date has primarily been in two areas: (i) real investments and capital markets, with the aim to link the real activity of corporations to asset prices in the economy, and (ii) portfolio choice, where his research is directed at modeling and understanding the process of portfolio formation in the presence of frictions, such as taxes, and limited information, such as model and parameter uncertainty. His research has been published in *The Journal of Finance*, *The Review of Financial Studies*, *Journal of Financial and Quantitative Analysis*, *Journal of Public Economics*, *Management Science*, *Computational Economics* and *Economics of Innovation and New Technology*.

He received, with Hong Yan, the Crowell Memorial Prize (runner-up) from Panagora Asset Management; with Raman Uppal and Tan Wang, the award for the best paper presented at the 2003 conferences of the Institute for Quantitative Investment Research (INQUIRE-UK); with Victor DeMiguel and Raman Uppal, the award for the best paper presented at the 2005 conferences of INQUIRE-UK; and, with Ajay Agrawal, the best paper award in the 2002 Academy of Management, Business Policy and Strategy Division. In 2007 he was nominated for the CBA Foundation Research Excellence Award for Assistant Professors at the McCombs School of Business, University of Texas at Austin and received the Trammell/CBA Foundation Teaching Award for Assistant Professors at the McCombs School of Business, University of Texas at Austin.

He has taught courses on Asset Pricing Theory (PhD), Investment Management (MBA and BBA), Risk Management (MBA and BBA), and Financial Engineering (MBA and BBA).