

LU ZHANG, 张鲁



THE OHIO STATE UNIVERSITY
FISHER COLLEGE OF BUSINESS

760A Fisher Hall
2100 Neil Avenue
Columbus OH 43210-1144
Tel: 614.292.8644. Cell: 585.267.6250
Email: zhanglu@fisher.osu.edu
<http://fisher.osu.edu/~zhang.1868/>

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Academic Experience

Max M. Fisher College of Business, The Ohio State University

Fisher College of Business Distinguished Chair in Finance, Professor of Finance, 2015-present
Dean's Distinguished Chair in Finance, Professor of Finance, 2010-2015

Stephen M. Ross School of Business, University of Michigan

Professor of Finance, Finance Area Chair, 2009-2010
Associate Professor of Finance (with tenure), 2006-2009

William E. Simon Graduate School of Business Administration, University of Rochester

Assistant Professor of Finance, 2002-2006

Education

The Wharton School, University of Pennsylvania. 1998-2002. Ph.D. in Finance, 2002. M.A. in Finance, 2000. [Ph.D. dissertation: Essays on the cross section of returns](#)

Washington University in St. Louis. 1996-1998. M.A. in Economics, 1997

The Graduate School of the People's Bank of China (renamed PBC School of Finance, Tsinghua University). 1993-1996. M.S. in Finance, 1996

Jiangxi University of Finance and Economics. 1989-1993. B.A. in Economics, 1993

Professional Honors and Awards

Inquire Europe, Institute for Quantitative Investment Research, grant of €10,000 for "Global q -factors" (with Kewei Hou and Chen Xue), 2016

Second Prize, the 22nd Chicago Quantitative Alliance (CQA) Annual Academic Competition, "A comparison of new factor models" (with Kewei Hou and Chen Xue), 2015

The Outstanding Working Professional MBA Elective Faculty Award, Fisher College of Business, The Ohio State University, 2015

National Bureau of Economic Research: Research Associate, 2009-present, Faculty Research Fellow, 2005-2009, Asset Pricing program

Research Fellow, Charles A. Dice Center for Research in Financial Economics, The Ohio State University, 2010-present

Distinguished Referee Award, Review of Financial Studies, 2009, 2010

Researcher of The Year Award, Stephen M. Ross School of Business, University of Michigan, 2010. "In recognition of his achievements on multiple scholarly dimensions, his stellar reputation in the field of finance, and his efforts to improve the research environment at the Stephen M. Ross School of Business"

Since 2007, "The value premium" (Zhang, 2005, Journal of Finance) and "Is value riskier than growth?" (Petkova and Zhang, 2005, Journal of Financial Economics) have been featured in Bodie, Kane, and Marcus's Investments, a standard textbook for top business schools

"The value premium" is the 4th most highly cited article in the literature on anomalies and fundamental analysis since 2000 with the highest average number of citations per year (source: Richardson, Tuna, and Wysocki, 2010, Journal of Accounting and Economics)

"The value premium" is among the 25 most cited articles in Journal of Finance since 2004 (source: The American Finance Association Web site)

The 2007-08 NTT Research Fellowship Award, University of Michigan

Invited lecture on "Understanding anomalies: Is much of what we call alpha actually beta?" Sanford C. Bernstein Conference on Controversies in Quantitative Finance and Asset Management, New York City, March 2008

Gutmann Center Research Fellow, University of Vienna, April 2007

First Prize, the Smith-Breeden Award for Best Paper, 2005, the American Finance Association and Journal of Finance for "The value premium"

Runner-up for Best Paper Award at the 2005 Utah Winter Finance Conference for "Anomalies"

Runner-up for Barclays Global Investors Award for the Best Conference Paper at the 2005 European Finance Association Meetings for "The new issues puzzle: Testing the investment-based explanation" (with Evgeny Lyandres and Le Sun)

Dean's Fellowship for Distinguished Merits, The Wharton School, 1998-2002

Research

Publications

23. Hou, Kewei, Chen Xue, and Lu Zhang, 2015, [Digesting anomalies: An investment approach](#), **Review of Financial Studies** 28 (3), 650-705. Editor's Choice, lead article.
22. Liu, Laura Xiaolei, and Lu Zhang, 2014, [A neoclassical interpretation of momentum](#), **Journal of Monetary Economics** 67, 109-128.
21. Tang, Yue, Jin (Ginger) Wu, and Lu Zhang, 2014, [Do anomalies exist ex ante?](#) **Review of Finance** 18 (3), 843-875, lead article.
20. Belo, Frederico, Chen Xue, and Lu Zhang, 2013, [A supply approach to valuation](#), **Review of Financial Studies** 26 (12), 3029-3067.
19. Lin, Xiaoji, and Lu Zhang, 2013, [The investment manifesto](#), **Journal of Monetary Economics** 60 (3), 351-366.
18. Gulen, Huseyin, Yuhang Xing, and Lu Zhang, 2011, [Value versus growth: Time-varying expected stock returns](#), **Financial Management** 40 (2), 381-407.
17. Chen, Long, and Lu Zhang, 2011, [Do time-varying risk premiums explain labor market performance?](#) **Journal of Financial Economics** 99 (2), 385-399.
16. Li, Dongmei, and Lu Zhang, 2010, [Does q-theory with investment frictions explain anomalies in the cross-section of returns?](#) **Journal of Financial Economics** 98 (2), 297-314.
15. Wu, Jin (Ginger), Lu Zhang, and X. Frank Zhang, 2010, [The q-theory approach to understanding the accrual anomaly](#), **Journal of Accounting Research** 48 (1), 177-223.
14. Liu, Laura Xiaolei, Toni M. Whited, and Lu Zhang, 2009, [Investment-based expected stock returns](#), **Journal of Political Economy** 117 (6), 1105-1139.
13. Li, Erica X. N., Dmitry Livdan, and Lu Zhang, 2009, [Anomalies](#), **Review of Financial Studies** 22 (11), 4301-4334, lead article.
12. Livdan, Dmitry, Horacio Sapriza, and Lu Zhang, 2009, [Financially constrained stock returns](#), **Journal of Finance** 64 (4), 1827-1862.
11. Liu, Laura Xiaolei, and Lu Zhang, 2008, [Momentum profits, factor pricing, and macroeconomic risk](#), **Review of Financial Studies** 21 (6), 2417-2448.
10. Lyandres, Evgeny, Le Sun, and Lu Zhang, 2008, [The new issues puzzle: Testing the investment-based explanation](#), **Review of Financial Studies** 21 (6), 2825-2855.

[Runner-up for Barclays Global Investors Award for the Best Conference Paper at the 2005 European Finance Association Annual Meetings]
9. Liu, Naiping, and Lu Zhang, 2008, [Is the value spread a useful predictor of returns?](#) **Journal of Financial Markets** 11 (3), 199-227, lead article.

8. Campello, Murillo, Long Chen, and Lu Zhang, 2008, [Expected returns, yield spreads, and asset pricing tests](#), **Review of Financial Studies** 21 (3), 1297-1338.

7. Chen, Long, Ralitsa Petkova, and Lu Zhang, 2008, [The expected value premium](#), **Journal of Financial Economics** 87 (2), 269-280.

6. Gomes, Joao F., Amir Yaron, and Lu Zhang, 2006, [Asset pricing implications of firms' financing constraints](#), **Review of Financial Studies** 19 (4), 1321-1356.

5. Petkova, Ralitsa, and Lu Zhang, 2005, [Is value riskier than growth?](#) **Journal of Financial Economics** 78 (1), 187-202.

[Featured in Bodie, Kane, and Marcus, 2014, Investments]

4. Zhang, Lu, 2005, [The value premium](#), **Journal of Finance** 60 (1), 67-103.

[First Prize, the Smith-Breeden Award for Best Paper, 2005, the American Finance Association and Journal of Finance]

[Featured in Bodie, Kane, and Marcus, 2014, Investments]

[The 4th most cited article in the literature on anomalies and fundamental analysis since 2000 with the highest average number of citations per year (source: Richardson, Tuna, and Wysocki, 2010, Journal of Accounting and Economics)]

[One of the 25 most cited articles in Journal of Finance since 2004 (source: The American Finance Association Web site)]

3. Brandt, Michael W., Qi Zeng, and Lu Zhang, 2004, [Equilibrium stock return dynamics under alternative rules of learning about hidden states](#), **Journal of Economic Dynamics and Control** 28 (10), 1925-1954, lead article.

2. Gomes, Joao F., Amir Yaron, and Lu Zhang, 2003, [Asset prices and business cycles with costly external finance](#), **Review of Economic Dynamics** 6 (4), 767-788.

1. Gomes, Joao F., Leonid Kogan, and Lu Zhang, 2003, [Equilibrium cross section of returns](#), **Journal of Political Economy** 111 (4), 693-732, lead article.

[Reprinted in "Stephen A. Ross, Mentor: Influence Through Generations," ed. Mark Grinblatt, McGraw-Hill Irwin, 2008]

Working Papers

24. Petrosky-Nadeau, Nicolas, and Lu Zhang, 2016, [Solving the DMP model accurately](#), under second round review, **Quantitative Economics**

25. Petrosky-Nadeau, Nicolas, Lu Zhang, and Lars-Alexander Kuehn, 2015, [Endogenous disasters](#), under second round review, **American Economic Review**

26. Bai, Hang, Kewei Hou, Howard Kung, and Lu Zhang, 2015, [The CAPM strikes back? An investment model with disasters](#), revise-and-resubmit, **Journal of Financial Economics**

27. Hou, Kewei, Chen Xue, and Lu Zhang, 2016, [A comparison of new factor models](#)

[Second Prize, the 22nd Chicago Quantitative Alliance (CQA) Annual Academic Competition, 2015]

28. Zhang, Lu, 2015, [The investment CAPM](#)

29. Petrosky-Nadeau, Nicolas, and Lu Zhang, 2013, [Unemployment crises](#)

30. Hou, Kewei, Chen Xue, and Lu Zhang, 2016, Global q -factors

[Inquire Europe, Institute for Quantitative Investment Research, grant of €10,000]

31. Zhang, Lu, 2005, [Anomalies](#), NBER working paper 11322, permanent working paper

[Runner-up, Best Paper Award at the 2005 Utah Winter Finance Conference]

Research Interests

Asset pricing, in connection with macroeconomics, corporate finance, labor economics, computational economics, and capital markets research in accounting

[Research Summary: Exploring asset pricing anomalies](#) in NBER Reporter, the 2014:1 issue

Teaching

Max M. Fisher College of Business, The Ohio State University

Investment Management I, M.B.A. and Undergraduate programs

Theory of Finance, Ph.D.

Advanced Asset Pricing, Ph.D.

Stephen M. Ross School of Business, University of Michigan

Derivative Securities, B.B.A.

Capital Markets and Investment Strategy, M.B.A.

Empirical Methodology in Finance, Ph.D.

William E. Simon Graduate School of Business Administration, University of Rochester

Investments, Corporate Finance, M.B.A.

Advanced Topics in Capital Markets, Ph.D.

Professional Activities

Professional Leadership

Critical Finance Review, Associate Editor, 2010-present

Finance Research Letters, Associate Editor, 2013-present

Financial Management, Associate Editor, 2009-2011
Journal of Banking and Finance, Associate Editor, 2015-present
Journal of Financial and Quantitative Analysis, Associate Editor, 2011-present
Journal of Financial Economics, Associate Editor, 2011-present
Management Science, Associate Editor, 2009-2012
Quarterly Journal of Accounting and Finance, Advisory Editor, 2015-present
Review of Financial Studies, Associate Editor, 2009-2012

Service Leadership

Macro Finance Society: Founding President (2012-2013), Board of Directors (2012-2014)

American Finance Association: Nominating Committee (2013)

The Ohio State University: Department of Finance Executive Committee (2011-present),
Fisher College Promotion and Tenure Committee (2012-2016), both elected by faculty

University of Michigan: Finance Area Chair (2009-2010), Chair of Investments Curriculum Task
Force (2008-2009), Ross School of Business Community Values Committee (2007-2008)

Ph.D. Students Supervised

10. Hang Bai, 2016 (Ohio State). "Unemployment and credit risk." First placement: University
of Connecticut

9. Woo Hwa Koh, 2015 (Ohio State). "The impact of uncertainty shocks on the cross-section of
returns." First placement: Korea Advanced Institute of Science and Technology (KAIST)

8. Andrew Y. Chen, 2014 (Ohio State). "External habit in a production economy: A unified
model of asset prices and aggregate fluctuations." First placement: Federal Reserve Board

7. Chen Xue, 2012 (University of Michigan). "Cross-sectional stock returns and mutual fund
performance evaluation: An investment-based investigation." First placement: University of
Cincinnati

6. Ryan Israelsen, 2009 (University of Michigan). "Investment based valuation." First
placement: Indiana University

5. Xiaoji Lin, 2008 (University of Minnesota). "Endogenous technological progress and the
cross section of stock returns." First placement: London School of Economics.

4. Erica Xuenan Li, 2007 (University of Rochester). "Corporate governance, the cross section
of returns, and financing choices." First placement: University of Michigan

3. Laura Xiaolei Liu, 2005 (University of Rochester). "Do firms have target leverage ratios?
Evidence from historical market-to-book and past return." First placement: Hong Kong
University of Science and Technology.

2. Horacio Sapriza, 2005 (University of Rochester). "Sovereign default and interest rates in
emerging market economies." First placement: Rutgers Business School.

1. Ralitsa Petkova, 2003 (University of Rochester). "Do Fama-French factors proxy for innovations in predictive variables?" First placement: Case Western Reserve University

Professional Affiliations

American Economic Association. The Econometric Society. American Finance Association. Western Finance Association. Macro Finance Society.

Disclosure of Outside Activities

I have had occasional, ad hoc consulting arrangements. During the prior three years, Shanghai University of Finance and Economics has paid me more than \$10,000.

Biography

Dr. Lu Zhang is Fisher College of Business Distinguished Chair in Finance and Professor of Finance at The Ohio State University as well as Research Associate at National Bureau of Economic Research (Asset Pricing program) and Associate Editor for Journal of Financial Economics and Journal of Financial and Quantitative Analysis. He is a co-founder (and President in 2012-2013) of Macro Finance Society, a newly established academic society devoted to advancing and disseminating high-quality research at the intersection of financial economics and macroeconomics. Before joining Ohio State in 2010, he taught at Stephen M. Ross School of Business at University of Michigan and William E. Simon Graduate School of Business Administration at University of Rochester. Dr. Zhang's research focuses on asset pricing, in relation with macroeconomics, corporate finance, labor economics, computational economics, and capital markets research in accounting. His work elaborates a unified conceptual framework for asset pricing anomalies, the investment CAPM. His recent work shows how labor market frictions can give rise endogenously to rare disasters. Dr. Zhang has published extensively at leading academic journals including Journal of Accounting Research, Journal of Finance, Journal of Financial Economics, Journal of Monetary Economics, Journal of Political Economy, and Review of Financial Studies. His doctoral thesis "The value premium" won **the Smith-Breeden Award for Best Paper** for 2005 from American Finance Association and the Journal of Finance.

Recent publications include "Digesting anomalies: An investment approach" (with Hou and Xue), Review of Financial Studies, 2015; "A neoclassical interpretation of momentum" (with Liu), Journal of Monetary Economics, 2014; "A supply approach to valuation" (with Belo and Xue), Review of Financial Studies, 2013; "The investment manifesto" (with Lin), Journal of Monetary Economics, 2013; "Do time-varying risk premiums explain labor market performance?" (with Chen), Journal of Financial Economics, 2011; "Does q -theory with investment frictions explain anomalies in the cross-section of returns?" (with Li), Journal of Financial Economics, 2010; "The q -theory approach to understanding the accrual anomaly" (with Wu and Zhang), Journal of Accounting Research, 2010.

Dr. Zhang has extensive teaching experience at the undergraduate, M.B.A., and Ph.D. levels. He has taught Investment Management, Derivative Securities, Capital Markets and Investment Strategy, Corporate Finance, Theory of Finance, and Advanced Asset Pricing. In 2015, he was voted **the Outstanding Working Professional MBA Elective Faculty Award** recipient at Fisher College of Business, The Ohio State University.

Jiangxi University of Finance and Economics, B.A. in Economics, 1993. The Graduate School of the People's Bank of China (renamed PBC School of Finance, Tsinghua University), M.S. in Finance, 1996. Washington University in St. Louis, M.A. in Economics, 1997. The Wharton School, University of Pennsylvania, M.A. in Finance, 2000, Ph.D. in Finance, 2002.

Born on August 31, 1972. Citizen of China, U.S. Permanent Resident.

Married to Yiqing Zhang, with one cat, Kiddy, and three parrots, Mango, Greenie, and Tilly.