

MASSIMO GUIDOLIN

<http://research.stlouisfed.org/econ/guidolin/index.html>
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PERSONAL

Citizenship: Italian.
US Visa status: Permanent resident
Languages: Italian, English, and French.
Marital status: Married.
Date of birth: December 15, 1968.
Business Address: Manchester Business School
Accounting & Finance Group
MBS Crawford House
Manchester M13 9PL
United Kingdom

EMPLOYMENT

August 2006 – Professor, Chair of Finance, Manchester Business School, University of Manchester
June 2006 – Asst. Vice-President and Senior Policy Advisor, Financial Markets, Federal Reserve Bank of St. Louis, Research Division
Sept. 2004 – December 2008: Research Fellow, Center for Research on Pensions and Welfare (CeRP), Collegio Carlo Alberto, Turin, Italy
Jan. 2005 – June 2006 Senior Economist, Federal Reserve Bank of St. Louis, Research Division
Sept. 2000 – Dec. 2004: Assistant Professor of Economics, University of Virginia.
Sept. 2001 – July. 2002: Assistant Professor of Economics, Bocconi University.

MAIN PUBLICATIONS IN INTERNATIONAL, REFEREED JOURNALS

1. “Time and Risk Diversification in Real Estate Investments: Assessing the Ex Post Economic Value”, (with C. Fugazza and G. Nicodano), *Real Estate Economics*, FORTHCOMING.
2. “Affiliated Mutual Funds and Analyst Optimism” (with S. Mola), *Journal of Financial Economics*, 2009, 93, 108-137.
3. “Forecasts of US Short-term Interest Rates: A Flexible Forecast Combination Approach” (with A. Timmermann), *Journal of Econometrics*, 150, 297-311 [also [CEPR discussion paper 6188](#)]
4. “Non-Linear Predictability in Stock and Bond Returns: When and Where Is It Exploitable?”, (with S. Hyde, D. MacMillan, and S. Ono), *International Journal of Forecasting*, 2009, 25, 373-399.
5. “Small Caps in International Equity Portfolios: the Effects of Variance Risk.” (with G. Nicodano), *Annals of Finance*, 2009, 5, 15-48.
6. “International Asset Allocation under Regime Switching, Skew and Kurtosis Preferences” (with A. Timmermann), *Review of Financial Studies*, 2008, 21, 889-935.

7. "Size and Value Anomalies under Regime Shifts", (with Allan Timmermann), *Journal of Financial Econometrics*, 2008, 6, 1-48.
8. "Equity Portfolio Diversification under Time-Varying Predictability and Comovements: Evidence from Ireland, the US, and the UK" (with S. Hyde), *Journal of Multinational Financial Management*, 2008, 18, 293-312.
9. "Diamonds Are Forever, Wars Are Not: Conflict Diamonds and the Value of Firms" (with E. La Ferrara), *American Economic Review*, 2007, 97, 1978-1993 [also [CEPR discussion paper 4668](#)]
10. "Investing for the Long-Run in European Real Estate. Does Predictability Matter?" (with C. Fugazza and G. Nicodano), *Journal of Real Estate Finance and Economics*, 2007, 34, 35-80.
11. "Asset Allocation under Multivariate Regime Switching", (with Allan Timmermann), *Journal of Economic Dynamics and Control*, 31, 3503-3544.
12. "Properties of Asset Prices under Alternative Learning Schemes", (with Allan Timmermann), *Journal of Economic Dynamics and Control*, 2007, 31, 161-217.
13. "Modeling the Dynamics of the S&P 500 Implied Volatility Surface" (with Silvia Gonçalves), *Journal of Business*, 2006, 71, 1591-1635.
14. "Term Structure of Risk under Alternative Econometric Specifications" (with A. Timmermann), *Journal of Econometrics*, 2006, 131, 285-308 [also [CEPR discussion paper No. 4645](#)].
15. "High Equity Premia and Crash Fears. Rational Foundations", *Economic Theory*, 2006, 28, 693-709.
16. "An Econometric Model of Nonlinear Dynamics in the Joint Distribution of Stock and Bond Returns" (with Allan Timmermann), *Journal of Applied Econometrics*, 2006, 21, 1-22.
- 17 "Pessimistic Beliefs under Rational Learning: Quantitative Implications for the Equity Premium Puzzle", *Journal of Economics and Business*, 58, 2006, 85-118.
18. "Economic Implications of Bull and Bear Regimes in UK Stock and Bond Returns" (with Allan Timmermann), *Economic Journal*, 2005, 115, 111-143.
19. "Home Bias and High Turnover in an Overlapping Generations Model with Learning", *Review of International Economics*, 2005, 13, 725-756.
20. "Option Prices under Bayesian Learning: Implied Volatility Dynamics and Predictive Densities" (with Allan Timmermann), *Journal of Economic Dynamics and Control*, 2003, 27, 717-769 [also [CEPR discussion paper No. 3005](#)].

OTHER PUBLICATIONS IN REFEREED JOURNALS

21. "A Simple Model of Trading and Pricing Risky Assets Under Ambiguity: Any Lessons for Policy-Makers?" (with F. Rinaldi), *Applied Financial Economics*, FORTHCOMING.
22. "What Tames the Celtic Tiger? Portfolio Implications from a Multivariate Markov Switching Model" (with S. Hyde), *Applied Financial Economics*, 19, 463-488.
23. "Diversifying in Public Real Estate: the Ex-Post Performance" (with C. Fugazza and G. Nicodano), *Journal of Asset Management*, 2008, 8, 361-373.
24. "The Decline in the U.S. Personal Saving Rate: Is It Real and Is It a Puzzle?" (with E. La Jeunesse), *The Review, Federal Reserve Bank of St. Louis*, 2007, 89, 491-514.
25. "Are the Dynamic Linkages Between the Macroeconomy and Asset Prices Time-Varying?" (with S. Ono), *Journal of Economics and Business*, 2006, 58, 480-510.
26. "Modeling the MIB30 Implied Volatility Surface. Does Efficiency Matter?" (with Gianluca Cassese), *International Review of Financial Analysis*, 15, 2006, 145-178.

27. "Forecasting and Trading S&P 500 Index Options Volatility", *Financial Letters*, 2005, 3, 1-11.
28. "Pricing and Informational Efficiency of the MIB30 Index Options Market. An Analysis with High Frequency Data", *Economic Notes*, 2004, 33, 2, 1-28
29. "Subjective Probabilities: Psychological Theories and Economic Applications ", *The Review, Federal Reserve Bank of St. Louis*, 2004, 86, 33-47 (with A. Chiodo, M. Owyang, and M. Shimoji)
30. "Recursive Modeling of Nonlinear Dynamics in UK Stock Returns", *The Manchester School*, 2003, 71, 381-395 (with Allan Timmermann).
31. "International Asset Prices and Portfolio Choices Under Bayesian Learning", *Research in Economics*, 2003, 57, 383-437.

PUBLICATIONS IN COLLECTED VOLUMES AND BOOK REVIEWS

32. "Markov Switching Mean-Variance Frontier Dynamics: Theory and International Evidence" (with F. Ria) FORTHCOMING in *Handbook of Financial Econometrics* (G Gregoriou editor), Chapman Hall, London, 2010.
33. "Do Jumps Matter in Emerging Market Portfolio Strategies?" (with E. Ossola) in *Financial Innovations in Emerging Markets* (G Gregoriou editor), Chapman Hall, London, 2009, pp. 148-184.
34. "Detecting and Exploiting Regime Switching ARCH Dynamics in US Stock and Bond Returns", in *Stock Market Volatility* (G Gregoriou editor), Chapman Hall, London, 2009, pp. 92-133.
35. "The Economic and Statistical Value of Forecast Combinations: Regime Switching: An Application to Predictable US Returns" (con F. Na), in *Frontiers of Economics and Globalization Volume 3, Forecasting in the Presence of Structural Breaks and Model Uncertainty* (M. Wohar and D. Rapach, eds.), Emerald Publishing Ltd. & Elsevier Press, 2008, pp. 595-657.
36. "Book Review: Empirical Dynamic Asset Pricing (by K. Singleton)", *Econometrics Reviews*, 2007, 26, 597-604.

PAPERS UNDER REVIEW AT REFEREED JOURNALS

1. "The Economic Effects of Violent Conflict: Evidence from Asset Market Reactions", (with E. La Ferrara), September 2009. [St. Louis FED working paper No. 2005-066A]
2. "Time-Varying Comovements Between Equity and Bond Markets in a Rational Expectations Monetary Equilibrium Model" (with S. Ono), June 2009.
3. "Can We Approximate Regime Shifts in Predictability with Vector Autoregressive Models? A Strategic Asset Allocation Perspective" (with S. Hyde), December 2009.

WORKING PAPERS

1. "Mixture Capital Asset Pricing Models: A Rational Solution to Value and Size Anomalies?", August 2009.
2. "Predictions of Short-Term Rates and the Expectations Hypothesis of the Term Structure of Interest Rates" (with D. Thornton), September 2009 [also ECB working paper No. 977]
3. "Markov Switching Dynamics in REIT Returns: Univariate and Multivariate Evidence on Forecasting Performance" (with B. Case and Y. Yildirim), August 2009.
4. "1/N and Long Run Optimal Portfolios" (with C. Fugazza and G. Nicodano), August 2009.
5. "Regime Shifts in the Conditional Heteroskedastic Dynamics of US Stock and Bond Returns: Statistical Evidence and Economic Value", July 2009.

6. “Bayesian Modelling of Time-Varying Prices and Quantities of Risk: Evidence from the US REIT Market” (with F. Ravazzolo and A. Tortora), December 2008.
7. “Understanding Optimal Portfolio Choices under a Markov Switching Efficient Frontier” (with F. Ria, Insubria University), February 2008.
8. “How Important Are Emerging Markets in International Portfolio Diversification? Evidence from a Dynamic Asset Allocation Model with Regime Shifts” (with F. Na, Fannie Mae), June 2007.
9. “Equilibrium Stock and Bond Returns under Regime Switching Consumption” (with A. Timmermann, University of California San Diego), August 2006.
10. “Why Do Analysts Continue to Provide Favorable Coverage for Seasoned Stocks?” (con S. Mola), April 2006. [St. Louis FED working paper No. 2006-034A]

POLICY/POSITION PAPERS

1. “A Yield Spread Perspective of the Financial Crisis”, Federal Reserve Bank of St. Louis *Monetary Trends*, October 2009 (with Yu Man Tam).
2. “Taming the Long-Term Spreads”, Federal Reserve Bank of St. Louis *Monetary Trends*, June 2009 (with Yu Man Tam).
3. “No Volatility, No Forecasting Power for the Term Spread”, Federal Reserve Bank of St. Louis, *Monetary Trends*, April 2008 (with Allison Rodean).
4. “Is the Term Spread Still Speaking to Policymakers? Some International Evidence”, Federal Reserve Bank of St. Louis, *International Economic Trends*, July 2007 (with Allison Rodean).
5. “Cross-Country Saving Rates”, Federal Reserve Bank of St. Louis, *National Economic Trends*, November 2006 (with Elizabeth La Jeunesse).
6. “The Dollar U-Turn”, Federal Reserve Bank of St. Louis, *International Economic Trends*, February 2005.
7. “Bubbling (or Just Frothy) House Prices?”, Federal Reserve Bank of St. Louis, *National Economic Trends*, November 2005 (with Elizabeth La Jeunesse).
8. “Is the Bond Market Irrational?”, Federal Reserve Bank of St. Louis, *Monetary Trends*, July 2005.

EDITORIAL BOARD APPOINTMENTS:

- 2009- : _ Associate Editor, International Journal of Forecasting (Elsevier)
 _ Editorial Board, Journal of Business Finance & Accounting (Wiley/Blackwell)
- 2008- : _ Associate Editor, Studies in Nonlinear Dynamics and Econometrics (Berkeley University Press)

CONFERENCE/SEMINAR PRESENTATIONS (2004-2009 only)

- Universite’ de Montreal, Canada (November 2009)
- Norges Bank, Research Department, Oslo, Norway (September 2009)
- INQUIRE UK Fall Conference, Leeds, UK (September 2009)
- University of Technology Sydney, Dept. of Business and Economics, Australia (August 2009)
- University of Adelaide, Dept. of Finance, Australia (August 2009)
- Monash University, Dept. of Finance, Melbourne, Australia (August 2009)
- University of Melbourne, Dept. of Finance, Australia (August 2009)
- University of New South Wales, Dept. of Finance, Sydney, Australia (August 2009)
- University of Piraeus, Dept. of Finance, Athens, Greece (June 2009)
- Tilburg University, Dept. of Finance, the Netherlands (May 2009)

- University of Rome, Tor Vergata, Italy (May 2009)
- University of Glasgow, Dept. of Economics, UK (February 2009)
- University College Dublin, School of Management, Dept. of Finance, Ireland (February 2009)
- Lancaster School of Management, Dept. of Accounting and Finance, UK (January 2009)
- Queen Mary College, University of London, Dept. of Economics, UK (January 2009)
- American Real Estate and Urban Economics Association Annual Conference, ASSA meetings, San Francisco (January 2009)
- Bocconi University, Dept. of Finance, Milan, Italy (November 2008)
- ECARES, Free University, Brussels, Belgium (November 2008)
- Citigroup Annual Quant Conference, Athens, Greece (June 2008)
- INFINITI Conference on International Finance, Dublin, Ireland (June 2008)
- Erasmus University, Econometric Institute, Rotterdam, the Netherlands (March 2008)
- Oxford-Man Institute, Oxford University (March 2008)
- University of Manchester, Dept. of Economics (February 2008)
- Erasmus University, Tinbergen Institute, Rotterdam, the Netherlands (November 2007)
- European Financial Management Association, Vienna, Austria (July 2007)
- Twenty-seventh Annual International Symposium on Forecasting, New York (June 2007)
- Third McGill Conference on Global Asset Management, Montreal, Canada (June 2007)
- INFINITI Conference on International Finance, Dublin, Ireland (June 2007)
- University of Lund, Dept. of Economics, Sweden (April 2007)
- University of Copenhagen, Joint Economics and Applied Mathematics Seminar, Denmark (November 2006)
- Warwick Business School, Finance Dept, United Kingdom (November 2006)
- Cambridge University, Judge Business School, UK (November 2006)
- Conference “Small Open Economies in a Globalized World”, Rimini, Italy (September 2006)
- European Finance Association, Zurich (August 2006).
- European Economic Association, Vienna (August 2006)
- Econometric Society, European meetings, Vienna (August 2006)
- Hong Kong Monetary Authority Conference on "International Financial Markets and the Macroeconomy", Hong Kong (July 2006)
- Western Economic Association, annual conference, San Diego (June 2006).
- Royal Economic Society, Annual Conference, Nottingham, UK (April 2006).
- Society for Nonlinear Dynamics and Econometrics, Washington University in St. Louis (March 2006)
- Eighth Annual Financial Econometrics Conference, University of Waterloo, Canada (March 2006)
- American Finance Association, Boston (January 2006)
- Doctoral Institute in Economics (DSE), Real Collegio Carlo Alberto, Turin (November 2005)
- University of Virginia (October 2005)
- University of Amsterdam, Finance Group (September 2005)
- World Congress of the Econometric Society, London (August 2005)
- European Financial Management Association Annual Conference, Milan [session + invited Ph.D. tutor, June 2005)
- Tanaka School of Business, Imperial College London, United Kingdom (May 2005)
- Warwick Business School, Finance Dept, United Kingdom (May 2005)
- University of York, United Kingdom (May 2005)
- Manchester Business School, Finance and Accounting Dept., United Kingdom (May 2005)
- Caltech, Division of Social Sciences, Financial Econometrics Workshop (April 2005)
- Krannert School of Management, Purdue University (April 2005)
- Econometric Society, North American Winter meetings, Philadelphia (January 2005).
- European Finance Association, Maastricht, the Netherlands (August 2004)
- Joint ECB/CFS/Deutsche Bundesbank Lunch seminar (July 2004)
- European Financial Management Association, Basel, Switzerland (July 2004)
- Universitat Pompeu Fabra, Barcelona (June 2004)

- University of Texas, Austin (May 2004)
- Federal Reserve Bank of Atlanta (May 2004)
- Society for Nonlinear Dynamics and Econometrics, Federal Reserve Bank of Atlanta (March 2004, invited paper)

SCHOLARSHIPS AND AWARDS

- 2009: Institut Europlace de Finance (EIF) (with S. Hyde, 8,000 euros) on project “Designing Optimal Portfolio Strategies for Occupational Pension Fund under Time-Varying Correlations in Bull and Bear Markets”
- Enquire UK, Research Grant (10,000 GBP) on project “Mixture Capital Asset Pricing Models: A Rational Solution to Value and Size Anomalies?”
- Inquire Europe, Small Research Grant (with G. Nicodano, 10,000 euros) on project “Higher Order Moments under Non-Linear Dynamic Processes for Asset Returns: Asset Allocation Implications”
- 2008: Netspar Small Research Grant (with G. Nicodano, 5,000 euros) on project “Time and Risk Diversification in Real Estate Investments: Assessing the Ex Post Economic Value”
- 2005-2006: US Government/agency employee.
- 2002, 2003, 2004: Bankard Fund for Political Economy Grant, University of Virginia (7,500, 7,500, and 15,000 USD)
- 1998 - 1999: Project in Econometric Analysis Fellowship, UCSD (10,000 USD)

OTHER SCHOLARLY ACTIVITIES

- December 2007 – Co-Director, Center for the Analysis of Investment Risks (CAIR), Manchester Business School, University of Manchester

Recent refereeing (2004-2009)

Journal of Finance, Economic Theory, Journal of Econometrics, Journal of Forecasting, American Economic Review, Review of Financial Studies, Journal of Financial Econometrics, Journal of Banking and Finance, Journal of Economics and Business, Quantitative Finance, Financial Review, Journal of Economic Dynamics and Control, Journal of Applied Econometrics, Studies in Nonlinear Dynamics and Econometrics, Journal of Financial Research, Review of International Economics, Annals of Finance, Applied Financial Economics, European Journal of Operations Research, Journal of International Economics, Journal of Financial Markets, International Journal of Finance and Economics, European Journal of Finance, Journal of Futures Markets, St. Louis FED Review, Elsevier, SSHRCC Canada, Journal of Business Finance and Accounting, Journal of Multinational Financial Management, International Journal of Forecasting, Management Science, Real Estate Economics, *Economica*, Chapman Hall Publishing Co., Elsevier Publishing Co., Statistics and Computing, Financial Review, National Science Foundation (U.S.), Economic Journal.

Conference and Workshop Organizer.

- 2008: St. Louis FED 3-day workshop on Learning, Macro, and Asset Pricing, July 2008.
- 2008: CAIR Workshop on Corporate Governance, June 2008.
- 2008: INFINITI Conference, Dublin, June 2008 (3 sessions)
- 2007: INFINITI Conference, Dublin, June 2007 (3 sessions).
- 2006: European Finance Association, Annual Conference (Doctoral seminar)

2005: European Financial Management Association, Annual Conference (Doctoral seminar)
2002-2003: Midwest Finance Ass., Annual Conference (International Finance track)
2001-2002: Midwest Finance Ass., Annual Conference (International Finance track)

External Examiner and Dissertation Committee Member.

Mazen Najaf (Manchester Business School, UK, 2006; main advisor: Stuart Hyde)
Ola Jonsson (University of Lund, Sweden, 2007; main advisor: Anders Borglin)
Pasquale Della Corte (Warwick Business School, UK, 2007; main advisor: Lucio Sarno)
Francesco Ravazzolo (Erasmus University, the Netherlands, 2007; main advisor: H. Van Dijk)
Francesca Rinaldi (University of Turin, Italy, 2007; main advisor: Massimo Marinacci)

ADVISING

Dissertation Director(2003-2009):

Sadayuki Ono (Ph.D. December 2003, currently tenured lecturer at University of York, UK)
Fanghzou Na (Ph.D. May 2006, Economist, Fannie Mae Research Division)
Ken-Shi Lin (Ph.D. April 2006, Economist, Fannie Mae Research Division)
Alejandro Bernales (in progress)
Prajakta Desai (in progress)
Erik Berwart (in progress)

Others (2003-2009):

Serguey Khovansky (second reader, September 2006, assistant professor at St. Mary's College, New York)
Sangwon Su (second reader, September 2004, Central Bank of Korea)
Julia Qiu (third reader, September 2003, Citigroup Inc.)
Craig Edwards (second reader, September 2003, University of Texas)

TEACHING

- Advanced Derivatives (MBA, Olin School of Business, Washington University, Spring 2005, 2006) – approximately 70 students.
- Applied Portfolio Management (MA level, Varese 2005) – approximately 15 students.
- Asset Pricing (Graduate, Virginia 2000, 2001, 2002, 2003; Graduate, MBS, 2006, 2007, 2008, 2009; Graduate, CORIPE 2004, 2005, 2006, 2007) – approximately 670 students.
- Corporate Finance (Undergraduate, Virginia 2001(2), 2002, 2003(2), 2004(2), 2005) – approximately 400 students.
- Derivative Pricing (Graduate, Virginia 2003 + MA level, 2003, 2006, Varese 2005) – approximately 80 students.
- Financial Econometrics (Undergraduate, Bocconi 2001) – approximately 100 students.
- International Finance (Undergraduate, MBS, 2006) – approximately 280 students.
- Monetary Economics and Macroeconomics (Undergraduate, Bocconi 1998, 2001) – approximately 150 students.
- Statistics I (Graduate, MBS 2007, 2008, 2009) – approximately 480 students.
- Theory of Financial Markets (Undergraduate 2004, 2005, 2006) – approximately 150 students.