

ERIC JACQUIER

Clinical Professor of Finance, Questrom School of Business, Boston University

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EDUCATION

Ph.D. University of Chicago Booth School of Business, finance and statistics. 1991
Graduate Course work in finance and economics, UCLA. 1983-84
MBA UCLA, concentration in international business and finance. 1983
Ingénieur (eq. MSc.) SUPELEC, École Supérieure d'Électricité. Electrical engineering. 1979

ACADEMIC POSITIONS

Boston University Questrom School of Business Clinical Professor of Finance Since 2015
Visiting 2012-15,
Executive director (interims), Mathematical Finance MSc and PhD Programs, 2015-18
HEC Montreal, Professor of Finance, holder of the Professorship in Derivative Securities,
on leave 2011-2014, Associate 2004-12, Visiting 2003-04. 2003-15
MIT Sloan, Visiting Professor of Finance, Associate 2010-12. 2010-13
Boston College Carroll School, Assistant Professor of Finance. 1996-03
Wharton, Visiting Assistant Professor of Finance. 1995-96
Cornell University Johnson School, Assistant Professor of Finance. 1991-95
Chicago Booth School of Business, Lecturer in Econometrics & Management Science. 1988-90
Nkrumah University of Sciences and Technologies, Kumasi, Ghana,
Lecturer in Electrical Engineering. 1979-81

Other Current Academic Appointments

Associate Editor, Annals of Computational and Financial Econometrics 2011 - 2019
Fellow CIREQ, Inter-university Research Center in Quantitative Economics.
Fellow CIRANO, Montreal

Current Professional Activities

Strategist Melfa Wealth Management, **Consultant** SSGA

AWARDS and GRANTS

Broderick Award for Outstanding Faculty Contribution, Boston University Questrom School 2016
Boston University Questrom School of Business, Math. Finance Teaching Award 2014
American Risk & Insurance Association, best paper award 2013
HEC Professorship in Derivative Products 2007-11
FQRSC grant for support to research teams 2004-08
Graham and Dodd Award of Excellence, Financial Analysts Journal 2002
Research grant, Boston College 1999, 2001
Teaching, Advising and Mentoring Grant, Boston College 1999
Faculty fellowship, CSOM Boston College 1998
Q Group (Institute for Quantitative Research in Finance). 1996
UCLA assistantships, dean's lists, Beta Gamma Sigma 1982-1984

Organizer:

Montreal Financial Econometrics Conference, 2007, 2009.

Program Committees

Financial Management Association, Orlando 2015, Las Vegas 2016

Co-chair: 8th Computational and Financial Econometrics Conference, Pisa, Dec. 2014

SOFIE 7th Annual Conference, Toronto, April 2014 SOFIE inaugural conference, NYU, June 2008

Northern Finance Association conference, Montreal 2006

CIREQ conference on Financial Econometrics, Montreal 2005

Society for Computational Economics Conf., CEF 1999, Boston.

Scientific committee 2005, FQRSC, Quebec Research Fund on Society and Culture.

Referee: AER, Econometric Theory, J. Business and Economics Statistics, J. Applied Econometrics, J. Econometrics, J. Empirical Finance, J. International Money and Finance, JF, J. Financial Intermediation, JFQA, Journal of Risk, Management Science, Mathematical Finance, NSF, Review of Finance, RFS.

RESEARCH

Research Interests

Financial Econometrics and Data Analysis, Empirical Asset Pricing: Risk and Return Relationships, Volatility forecasting, Portfolio and Risk Management, Bayesian Inference and Markov Chain Monte Carlo methods in Finance.

Refereed Articles

- “*Horizon Effect In The Term Structure Of Long-Run Risk-Return Trade-Offs*”, with Cedric Okou. Computational Statistics and Data Analysis, 100:445-466, August 2016.
- “*Disentangling Continuous Volatility from Jumps in Long-Run Risk-Return Relationships*”, with Cedric Okou. Journal of Financial Econometrics 12(3):544-583, Summer 2014.
- “*Asset Allocation in Finance: A Bayesian Perspective*”, with Nick Polson, in “Bayesian Theory and Applications”, Damien, Dellaportas, Polson, and Stephen eds., Oxford University Press, 2013.
- “*Are Underwriting Cycles Real and Forecastable*”, with Marcel Boyer and Simon Van-Norden. Journal of Risk and Insurance 79(4): 995-1015, Nov. 2012.

Award: Most valuable 2013 article by the American Risk and Insurance Association.

- “*Predicting Systematic Risk: Implications from Growth Options*”, with Sheridan Titman and Atakan Yalcin. Journal of Empirical Finance 17(5) 2010.
- “*Bayesian Decision-Based Estimation and Predictive Inference*”, with Polson, in “Frontiers of Statistical Decision Making and Bayesian Analysis - honoring James Berger”, Chen, Dey, Mueller, Sun and Ye eds., Springer, 2010.
- “*Empirical Evidence on the dependence of credit default swaps and equity prices*”, with D. Dupuis, N. Papageorgiou, B. Remillard, Journal of Futures Markets 29(8), August 2009.
- “*MCMC Maximum Likelihood for Latent State Models*”, with Nick Polson and Michael Johannes, Journal of Econometrics 137(2): 615-640 April 2007.
- “*Credit Migration and Basket Derivative Pricing with Copula*”, with Tony Berrada, D. Dupuis, N. Papageorgiou, and B. Remillard, Journal of Computational Finance 10, vol 1, Fall 2006.
- “*Optimal Estimation of the Risk Premium for the Long-Term and Asset Allocation: a Case of Compounded Estimation Risk*”, with Alan Marcus and Alex Kane, Journal of Financial Econometrics 3: 37-56, Winter 2005.

- “*A Model of the Convenience Yields in On-the-Run Treasuries*”, with Joseph Cherian and Robert Jarrow. Review of Derivatives Research 7: 79-97, August 2004.
- “*Bayesian Analysis of Stochastic Volatility Models with Fat Tails and Leverage Effect*”, with Nick Polson and Peter Rossi. Journal of Econometrics 122: 185-212, 2004.
- “*Geometric or Arithmetic Mean: A New Take on an Old Controversy*”, with Alan Marcus and Alex Kane. Financial Analysts Journal, Nov./Dec. 2003.
- “*Bayesian Analysis of Stochastic Volatility Models*”, with Nick Polson and Peter Rossi. Journal of Business and Economics Statistics, vol 20(1), 69-87, 2002.
Award: 20 year anniversary issue “One of 2 most influential articles on volatility in past 20 years”.
- “*Asset Allocation Models and Market Volatility*”, with Alan Marcus, Financial Analysts Journal, March 2001.
Award: Graham and Dodd Award of Excellence 2001.
- “*Discussion of Time series analysis of non-Gaussian observations based on state space models from both classical and bayesian perspective by Durbin and Koopman*”, with Nick Polson, Journal of the Royal Statistical Society. Series B, 62, 2000.
- “*Bayesian Analysis of Contingent Claim Model Error*”, with Robert Jarrow. Journal of Econometrics, 94:145-180, 2000.
- “*Optimal Portfolios in Good Times and Bad*”, with Chow, Kritzman, and Lowry, May/June 1999, Financial Analysts Journal.
- “*Vital Statistics*”, with Robert Jarrow. Risk Magazine, April 95.
- “*Bayesian Analysis of Stochastic Volatility Models*”, with Nick Polson and Peter Rossi. Journal of Business and Economics Statistics. October 94.
Award: Annual Lead Article with discussions and response.

Dissertation: “*Predictability of Long Term Stock Returns and the Business Cycle*”. Committee: Wayne Ferson, Arnold Zellner, Peter Rossi, Dan Nelson, George Constantinides, John Huizinga.

Book

“Handbook of Econometric Methods for Finance: Bayesian vs Classical Perspectives”, John Wiley Handbook Series in Financial Engineering and Econometrics, John Wiley & Sons, in progress.

Book chapters

- “*Bayesian Analysis of Stochastic Volatility Models*”, with Polson and Rossi, in “Volatility”, Torben Andersen and Tim Bollerslev eds., International Library of Critical Writing in Economics, Elgar Publishing. 2018.
- “*Modern Portfolio Theory*”, in “Portfolio Theory and Management”, H. Kent Baker and Greg Filbeck eds., Oxford University Press, 2013.
- “*Bayesian Econometrics in Finance*”, with N. Polson, in “Oxford Handbook of Bayesian Econometrics”, John Geweke, Gary Koop, and Hermann Van Dijk eds., Oxford University Press, 2011.
- “*Bayesian Analysis of Stochastic Volatility Models*”, with Polson and Rossi, in “Stochastic Volatility, Selected Readings”, Neil Shephard ed., Oxford University Press. 2005.
- “*Deterministic Volatility Functions: Model Error versus Poor Estimation*”, in Model Risk, Rajna Gibson Editor, Risk Publications, London, 2000.
- “*Vital Statistics*”, in “Over the Rainbow: Development in Exotic Options and Complex Swaps”, with Robert Jarrow, Jarrow Ed., Risk Publications, London 1995.

Invited Seminar Presentations

Babson, Bocconi, Brandeis, Bloomberg quant. research group, Boston College, Brown, Carnegie Mellon GSIA, CIRANO, Concordia Economics dept., Cornell, ESSEC, Goldman Sachs, HEC Paris, HEC Montreal, IDEI Toulouse, INSEAD, LBS, Mc Gill, MIT Sloan, NBER luncheon seminar, Penn State, Princeton, NY Society of Quantitative Analysts, QWAFAPFEW, Stockholm School of Economics, Simon Fraser, U. of Chicago Booth, U. of Iowa Tepper School, U. of Montreal Economics, U of Pennsylvania Economics, U. of Toronto, U. of Washington, Wharton.

Invited Conference Presentations

First ESOBE, European Seminar in Bayesian Econometrics, in honor of Hermann Van Dijk. Rotterdam, 11/2010.

I.D.E.I. Conference on Financial Econometrics, Toulouse, 5/2010.

“The information content of realized volatility and the VIX through the 2008 crash”.

CRM Conference on MCMC methods, Sherbrooke, 10/2008.

“MCMC methods in Finance: odds ratios, prediction, and optimization”.

Imperial College Conference on Financial Econometrics, London, 5/2008.

Discussion of Bandi & Perron “Past market variance and the cross-section of returns”.

Imperial College Conference on Financial Econometrics, London, 5/2007.

“Evaluating Beta Forecasts”.

CIREQ conference on realized volatility, Montreal, 4/2006.

“MCMC methods for expected utility”.

Mc Gill-IFM² Risk Management Conference, discussant, Mont-Tremblant, 3/2006.

CFS Conference on New Directions in Financial Risk Management, Frankfurt, 11/2003.

“Optimal Forecasts of Long-Term Returns: More Bad News on the Equity Premium”.

CIRANO Conference on Extremal Events, discussant, Montreal, 11/2002.

RISK Quantitative Finance Conference, NYC 11/2002.

“Generalized Stochastic Volatility Models with leverage and fat-tails”.

First International Conference on the Econometrics of Financial Markets. Delphi, 5/2001.

Featured talk: “Stochastic Volatility: Odds and Ends”.

Duke-UNC Special Conference on Risk-Neutral and Objective Pricing. 10/2000.

Invited discussion of “Large Deviation Approach to Portfolio Analysis” by Stutzer.

CIRANO Symposium on Volatility, 11/2000.

“Market volatility and asset correlation structure”.

Penn., Dept. of Economics, Symposium on Volatility, 10/2000.

“Generalizing stochastic volatility models”.

RISK Conference on quantitative finance, NYC 9/1999.

MATHSOFT Conference on Stochastic Volatility, NYC, 3/1999

“Estimating a Generalized Stochastic Volatility Model”.

Atlanta Federal Reserve Conference on Market Risk, Miami, 2/1997.

“Dynamic Evaluation of Contingent Claim Models”.

RISK Conf. on advanced methods for forecasting, hedging and trading volatility, NYC, 1995.

“Model vs Market Error in Contingent Claim Models”.

Special Conference on Stochastic Volatility, Ghysels and Tauchen org., Montreal, 10/1994.

“Priors and Models of Multivariate Stochastic Volatility”.

American Statistical Association conference, Toronto, 8/1994. JBES invited address.

“Bayesian Analysis of Stochastic Volatility Models”.

CEPR (Centre for Economic Policy Research) and Wharton Weiss Center for International Financial Research, conference on International Business Cycles, London, June 1994.

“International Stock Returns Predictability and Business Cycles”

Contributed Conference Presentations

“Horizon Effects in the Term Structure of Long-Run Risk-Return Trade-offs”, with Okou. Computational and Financial Econometrics Conference, London 2013.

“Risk-Return Trade-Offs and Long-Run Asset Allocation”, with Okou. Canadian Economic Association, Montreal 2013.

“Segregating Continuous Volatility From Jumps In Long-Run Risk-Return Trade-Offs”, with Okou. Northern Finance Association, Vancouver 2011, Financial Management Association, Denver 2011, and Society for Computational Economics, San Francisco 2011.

“Predicting Systematic Risk: Implications from Growth Options”, French Finance Association, Paris 2004, and Northern Finance Association, St John’s 2004.

“Forecasting Long Term Returns: Geometric, Arithmetic, or Other Means?”, French Finance, Lyon 2003.

“Convenience yield pricing in the term structure of interest rates”, Cornell - Boston University conference on Derivatives 2000. First Bachelier World Congress, 2000.

Discussion of “MCMC estimation of the Euler equation”, by C. Jones, Western Finance 1998.

“The Cross-section of Options Prices”, Cornell - Boston University Conference on Derivatives 1998.

“Dynamic Evaluation of Contingent Claim Models”, Cornell-Queens Conference on Derivatives 1995. French Finance 1995.

“Bayesian Analysis of Stochastic Volatility Models”, Western Finance 1993. European Finance 1993. French Finance 1993. American Econometric Assoc. 1993. NBER Time Series Conference 1992.

“Business Cycle Components in Stock Returns: Empirical Evidence”, Western Finance 1992. European Finance 1992. French Finance 1992.

“Long Term Stock Returns and Business Cycles: International and Sectorial Evidence”, European Finance 1991.

“Cyclical Components in Stock Returns”, European Finance 1990.

Boston University Questrom School of Business

Award: Best Teacher Mathematical Finance Program	2014
Advanced Portfolio Management (M.Sc. Math. Finance)	2016-20
Statistical Methods in Finance (M.Sc Math. Finance)	2015-19
Data Analysis and Financial Econometrics (M.Sc. Math. Finance):	2013-20
Risk Management, Options and Futures (MBA)	2015-16
Core Finance Course (Bachelor)	2013

MIT Sloan

Finance Core	2012-13
Investments	2011-12
Options and Futures (MBA and MSc Finance):	2010-11
Thesis chaired: 1 MSc	

HEC Montreal

Investments (BSc.)	2014
MSc. Research workshop	2003-09
Financial Risk Management (MBA)	2004
Financial Econometrics (M.Sc.)	2004
Risk in Financial Econometrics (HEC-McGill PhD Program)	2004-06, 08-10
Portfolio Management (M.Sc.)	2005-10
Theses chaired: 2 Ph.D. and 11 MSc	

University of Montreal, Economics Department

Deutsche Bank workshop in Advanced Financial Econometrics (PhD)	2005
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Boston College, Carroll School

Portfolio Theory (MBA, MSc):	1999-03
Capital Market Theory (MBA , MSc):	1997,98
Financial Econometrics (PhD):	1997-03
Investments (MBA, BA):	1996, 97, 99
11 Ph.D. committees (3 chairs)	

Wharton

Investments (MBA and BA):	1996
1 Ph.D. committee	

Cornell University, Johnson School

Investments and Portfolio Analysis (MBA):	1992-95
Asset Valuation (MBA):	1991-94
Statistical Methods in Business (MBA):	1991-95
1 Ph.D. committee (chair)	

University of Chicago Booth School of Business

Management Science, Intro. Econometrics, Maths for Business (MBA)	1988-90
Multivariate Econometrics (Ph.D)	1989-90

OTHER PROFESSIONAL ACTIVITIES

Consultant SSGA, Merck KgaA, Versant Capital, PSP Investments, Hydro-Quebec, Putnam, Windham Capital, Insightful Corp., Goldman Sachs

Board Member

Academic Advisory Board, Quantitative Equity Research, Putnam, Boston. 1998-02

Financial Analytics Advisory Board, Insightful Corp. Seattle (SPLUS), 1996-00

Patent: Application 09/691,551 "Optimization system for financial portfolios".

EXECUTIVE TEACHING

- Long and Short Run allocation: Classical vs Bayesian Methods, IFM² Montreal course
- Effects of Estimation Risk on optimal Portfolio Design, IFM² Montreal course
- New Methods in Portfolio Management, IFM² Montreal course
- Advanced Correlation Estimation, 2 RISK courses
- Financial Markets Volatility and Portfolio Design IFM² and CIRANO courses
- Advanced Volatility Estimation, 3 RISK courses
- Model Risk in Finance, 2 RISK courses
- Financial Econometrics, RISK course