Matthias Fleckenstein, Ph.D.

Matthias Fleckenstein
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Employment

- **Lerner College of Business and Economics, University of Delaware**
  Assistant Professor of Finance, 2016 – Present.

- **Cornerstone Research, New York**
  Associate, 2013 – 2016.

Education

- **University of California at Los Angeles (UCLA)**
  Ph.D. in Finance, 2013.
- **Georgia Institute of Technology (Georgia Tech)**
  M.S. in Quantitative and Computational Finance, 2007.
  Master of Business Administration (MBA), 2007.
- **University of Technology Berlin, Germany**
  M.S. in Industrial Engineering and Business Administration. 2005.

Research

Published and Forthcoming Papers

- Treasury Yield Implied Volatility and Real Activity (2021)
  - ⋆ *With Priyank Gandhi and Martijn Cremers*
  - ⋆ **Journal of Financial Economics**, Volume 140, Issue 2, May 2021, 412–435.
- Renting Balance Sheet Space: Intermediary Balance Sheet Rental Costs and the Valuation of Derivatives (2020)
  - ⋆ *With Francis A. Longstaff*
  - ⋆ **Review of Financial Studies**, Volume 33, Issue 11, 2020, 5051–5091.
- The Treasury Floating Rate Note Puzzle: Is there a premium for mark-to-market stability? (2020)
  - ⋆ *With Francis A. Longstaff*
  - ⋆ **Journal of Financial Economics**, Volume 137, Issue 3, 2020, 637–658.
- Corporate Taxes and Capital Structure: A Long-Term Historical Perspective (2020)
  - ⋆ *With Francis A. Longstaff and Ilya A. Strebulaev*
  - ⋆ **Critical Finance Review**, Volume 9: No. 1–2, 2020, 1–28.
- Deflation Risk (2017)
  - ⋆ *With Francis A. Longstaff and Hanno Lustig*
  - ⋆ **Review of Financial Studies**, Volume 30, Issue 8, 2017, 2719–2760.
- The TIPS–Treasury Bond Puzzle (2014)
  - ⋆ *With Francis A. Longstaff and Hanno Lustig*
  - ⋆ **Journal of Finance**, Volume 69, Issue 5, 2014, 2151–2197.
  - ⋆ ***Winner of the Amundi Smith Breeden Award 2014***

Non-Refereed Publications

- Inflation Adjusted Bonds and the Inflation Risk Premium
  - ⋆ *With Francis A. Longstaff and Hanno Lustig*
  - ⋆ **Handbook of Fixed-Income Securities**. 2016. Wiley & Sons.

Working Papers

- Treasury Richness
  - ⋆ *With Francis A. Longstaff*
  - ⋆ Working Paper. 2021.
- The Market Risk Premium for Unsecured Consumer Credit Risk
  - ⋆ *With Francis A. Longstaff*
  - ⋆ **Revise and Resubmit at Review of Financial Studies.**
  - ⋆ NBER Working Paper 28029, 2020.
  - ⋆ NBER Featured Working Papers, January 14, 2021.
  - ⋆ UCLA Anderson Review, Research Brief, featured article December 16, 2020.
- Private Equity Returns: Empirical Evidence from the Business Credit Card Securitization Market
  - ⋆ *With Francis A. Longstaff*
  - ⋆ **Revise and Resubmit at Journal of Finance.**
  - ⋆ NBER Working Paper 28134, 2020.
- Tax Policy Uncertainty and Asset Prices: Evidence from Dual-class Corporate Bonds in the Early 20th Century
  - ⋆ *With Priyank Gandhi and Pengjie Gao*
  - ⋆ Working Paper. 2020.

Citations

- Google Scholar
  415 (as of April 2021)
- Web of Science
  Published citing published: 74 (as of April 2021)
  Cited references: 115 (as of April 2021)

Conferences

Invited Seminars and Conference Presentations

- The Market Risk Premium for Unsecured Consumer Credit Risk
  - ⋆ *Conferences*
    Western Finance Association (WFA) 2021, Midwest Finance Association Annual Meeting 2021, Easter Finance Association Annual Meeting 2021
- Renting Balance Sheet Space: Intermediary Balance Sheet Rental Costs and the Valuation of Derivatives
  - ⋆ *Conferences*
    Drexel, Lehigh, Temple and University of Delaware Research Symposium (Philly 5) 2017; Eastern Finance Association Annual Meeting 2018; Duke/University of North Carolina Asset Pricing Conference 2018; 7th Fixed Income and Financial Institutions Conference (FIFI); Canadian Derivatives Institute (CDI) Seventh Conference on Derivatives 2018; Paris Financial Management Conference 2019; Midwest Finance Association Annual Conference 2020
  - ⋆ *Seminars*
    University of Delaware, Claremont Graduate University† Commodity Futures Trading Commission (CFTC)†; Virtual Derivatives Workshop†; Federal Reserve Bank of San Francisco†

- The Treasury Floating Rate Note Puzzle: Is there a premium for mark-to-market stability
  - ⋆ *Conferences*
    Paris Financial Management Conference 2018; Laboratory for Aggregate Economics and Finance (LAEF) Over-the-counter Markets and Securities Workshop at the University of California Santa Barbara 2018†; Fixed Income and Financial Institutions Conference at the University of South Carolina 2019; Midwest Finance Association Annual Conference 2019; Society for Financial Studies (SFS) Cavalcade 2019; Drexel, Lehigh, Temple and University of Delaware Research Symposium (Philly 5) 2019; 17th Paris December Finance Meeting 2019
  - ⋆ *Seminars*
    University of California at Los Angeles†; University of Wisconsin-Madison; Temple University; McGill University†

- Corporate Taxes and Capital Structure: A Long-Term Historical Perspective
  - ⋆ *Seminars*
    U.S. Securities and Exchange Commission†; University of California at Los Angeles†

- Deflation Risk
  - ⋆ *Conferences*
    American Economic Association Meetings in Philadelphia 2014†; Montr{'e}al Institute of Structured Finance and Derivatives Conference 2014†; Q Group Conference 2015†
  - ⋆ *Seminars*
    University of California at Berkeley†; Columbia University†; University of Oklahoma†; New York University†; University of Texas at Dallas†; Wharton School at the University of Pennsylvania†

- The TIPS–Treasury Bond Puzzle
  - ⋆ *Conferences*
    National Bureau of Economic Research Asset Pricing Conference Spring 2011†; 6th Annual Central Bank Workshop on the Microstructure of Financial Markets†; Western Finance Association Conference 2011†
  - ⋆ *Seminars*
    AQR Capital Management†; Armored Wolf LLC†; Blackrock Investment Management†; Federal Reserve Bank of New York†; Federal Reserve Bank of San Francisco†; Kepos Capital†; Massachusetts Institute of Technology†; University of California at Los Angeles†

- Treasury Yield Implied Volatility and Real Activity
  - ⋆ *Conferences*
    Paris Financial Management Conference 2017; ASSA Annual Meeting 2018; IFSID Sixth Annual Conference 2018†
  - ⋆ *Seminars*
    Northeastern University†; Rutgers Business School†; University of Georgia†; University of Notre Dame†

- Tax Policy Uncertainty and Asset Prices: Evidence from Dual-class Corporate Bonds in the Early 20th Century
  - ⋆ *Conferences*
    Florida State University SunTrust Beach Conference 2018†; ASSA/AFA Annual Meeting 2020†; Midwest Finance Association Annual Conference 2020
  - ⋆ *Seminars*
    University of Notre Dame†; Rutgers University†

* Includes scheduled presentations; † Presented by co-author.

Invited Discussions

- Easter Finance Associtaion (EFA) 2021 Annual Meeting
- Chicago Financial Institutions Conference
- Paris December Finance Meeting 2019
- Paris Financial Management Conference 2019
- Northern Finance Association Meeting 2019
- Midwest Finance Association Annual Conference 2019
- Paris Financial Management Conference 2018
- 2nd Short-Term Funding Markets Conference
- Eastern Finance Association Annual Meeting 2018
- Paris Financial Management Conference 2017
- Northern Finance Association Conference 2017
- Western Finance Association Annual Meeting 2016

* Includes scheduled discussions

Teaching

- **University of Delaware** (Instructor)
  - ⋆ FINC 314: Investments (Undergraduate; Spring 2021)
  - ⋆ FINC 662: Fixed Income Securities (MS; Spring 2021)
  - ⋆ FINC 462: Fixed Income Securities (Undergraduate; Spring 2021)
  - ⋆ FINC 313: Fixed Income Securities (Undergraduate; Spring 2017, 2018, 2019, 2020)
  - ⋆ FINC 862: Fixed Income Securities (MS; Spring 2017, 2018, 2020)
- **UCLA** (Teaching Assistant)
  - ⋆ MGMT 232A: Security Analysis and Investment Management (MBA; Spring 2011)
  - ⋆ MGMT 231C: Corporate Valuation (MBA; Winter 2011, Spring 2011, Fall 2011, Spring 2012)
  - ⋆ MGMT 237J: Asset-Backed Securities (MFE; Fall 2009, Fall 2011)
  - ⋆ MGMT 2387K: Introduction to Credit Markets (MFE; Fall 2011)
  - ⋆ MGMT 408: Securities Markets and Investments (MBA, FEMBA; Spring 2009, Fall 2009)

Other

Honors and Awards

- University of Delaware, 2020
  Lerner College Outstanding Junion Faculty Award
- Amundi Smith Breeden Distinguished Paper Award 2014
  for *The TIPS–Treasury Bond Puzzle*
- Naumann–Etienne Foundation (2005–2007)
  Georgia Tech Full Scholarship
- University of Delaware Lerner College of Business and Economics (2017, 2018)
  Summer Research Grant
- UCLA (2008–2010)
  UCLA Anderson School of Management Summer Doctoral Fellowship

Professional Activity

- **Referee**
  American Economic Review; Economic Letters; Finance Research Letters; Financial Management; International Finance; Journal of Banking and Finance; Journal of Economic Dynamics and Control; Journal of Empirical Finance; Journal of Finance; Journal of Financial and Quantitative Analysis; Journal of Financial Intermediation; Journal of Financial Markets; Journal of Monetary Economics; Journal of Money, Credit, and Banking; Management Science; Review of Asset Pricing Studies; Review of Economic Dynamics; Review of Economics and Statistics; Review of Finance; Review of Financial Studies
- **Conference Program Committee**
  Northern Finance Association 2019–2021; 2nd Short-Term Funding Markets Conference
- **Conference Session Chair**
  ASSA Annual Meeting 2017 (Liquidity and Trading in Bond and Derivatives Markets I); Paris Financial Management Conference 2017 (Financial Engineering and Derivatives I)
- **Professional Membership**
  American Finance Association; American Economic Association; Western Finance Association; European Finance Association; Society for Financial Studies; Financial Management Association; Midwest Finance Association; Northern Finance Association
- **University Service**
  Faculty Recruiting Committee; FinTech Committee; M.S. Finance Program Committee

Additional Information

- Programming Languages and Software: C/C++, Julia, Matlab, Python, SAS, Stata
- Citizenship: United States, Germany
- Languages: English, French, German (native)

Biography

I am Assistant Professor of Finance at the University of Delaware. My research interests include the role of arbitrage in financial markets, fixed income markets, term structure theory, derivative securities, and credit risk.

My research has been published in top finance journals including the Journal of Finance, the Review of Financial Studies, and the Journal of Financial Economics. Several of my recent research papers have focused on frictions in financial markets that give rise to violations of the law of one price.

My joint work with Francis A. Longstaff and Hanno Lustig on the U.S. Treasury bond and Treasury Inflation Protected Securities (TIPS) markets was awarded the 2014 Amundi Smith Breeden, and was featured in the Financial Times, and the Economist. I am a frequent speaker at academic conferences, practitioner seminars, and regulatory agencies (CFTC).

Prior to joining the University of Delaware, I worked as Associate at Cornerstone Research in New York on legal cases involving the valuation of over-the-counter and exchange-traded financial securities, including credit default swaps, foreign exchange and interest rate derivatives, and commodity-linked instruments.

I have a Ph.D. in Finance from the Anderson School at UCLA, and also Masters' Degrees in Financial Engineering, Business Administration (MBA), and Industrial Engineering. I have experience teaching at the undergraduate, MBA, and executive education levels.