HENGJIE AI

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Research and Teaching Interests
Financial Economics, Macroeconomics, Economic Theory.

Academic Positions

2016-present	Associate Professor of Finance (with tenure), Carlson School of Management, University of Minnesota.
2012-2016	Assistant Professor of Finance, Carlson School of Management, University of Minnesota.
2006-2012	Assistant Professor of Finance, Fuqua School of Business, Duke University

Visiting positions

2019 Spring	Fama-Miller research visitor, University of Chicago.
2019 Spring	Visiting associate professor of finance, Wharton School of Business, University of Pennsylvania.
2018 Fall	Visiting associate professor of finance, Fuqua School of Business, Duke University.
2015 Summer	SAFE Senior Visitor, Goethe University Frankfurt

Education

2006	Ph.D.	Economics	University of Minnesota
2000	M.A.	International Economics	Remin University of China
1993	B.A.	World Economy	Wuhan University

Published and Forthcoming Papers

Risk Preferences and the Macroeconomic Announcement Premium, with Ravi Bansal, *Econometrica* 2018, Vol 86, issue 4, 1383-1430.

A tractable model of limited enforcement and the life-cycle dynamics of firms, with Rui Li, *Economic Letters*, 2018, vol. 163, 136-140.

News Shocks and the Production Based Term Structure of Equity Returns, with Mariano Croce, Anthony Diercks, and Kai Li, *Review of Financial Studies,* 2018, Volume 31, Issue 7, 2423–2467.

Investment and CEO Compensation under Limited Commitment, with Rui Li, *Journal of Financial Economics*, 2015, vol. 116, issue 3, 452-472.

Volatility Risks and Growth Options, with Dana Kiku, *Management Science*, 2016, vol. 62, No. 3, 741-763.

Growth to Value: Option Exercise and the Cross-Section of Equity Returns, with Dana Kiku, *Journal of Financial Economics*, 2013, Vol. 107, Issue 2, 325-349.

Toward a Quantitative General Equilibrium Asset Pricing Model with Intangible Capital, with Mariano Croce and Kai Li, 2013, *Review of Financial Studies*, 26 (2), 491-530.

Information Quality and Long-run Risk: Asset Pricing Implications, *Journal of Finance*, 2010, vol. 65, Issue 4, 1333-1367.

Completed Working Papers

Asset Pricing with Endogenously Uninsurable Tail Risks, with Anmol Bhandari, R&R, Econometrica.

Firm Dynamics under Limited Commitment, with Dana Kiku, and Rui Li, R&R Journal of Finance.

Financial Intermediation and Capital Reallocation, with Kai Li and Fang Yang, R&R, Journal of Financial Economics.

The Collateralizability Premium, with Kai Li, Jun Li, and Christian Schlag, R&R, Review of Financial Studies.

Identifying preference for early resolution of uncertainty from asset prices, with Ravi Bansal, Hongye Guo, and Amir Yaron.

The macroeconomics of announcement premium, with Ravi Bansal, Jay Im, and Chao Ying.

The Cross-section of monetary policy announcement premium, with Leyla Jianyu Han, Xuihui Pan, and Lai Xu.

Capital misallocation and risk sharing, with Anmol Bhandari, Yuchen Chen, and Chao Ying.

Quantifying the Impact of Moral Hazard: Evidence from a Structural Estimation, with Dana Kiku, and Rui Li.

A Theory of Optimal Capital Structure and Endogenous Bankruptcy, with Barney Hartman-Glaser and Rui Li.

Honors and awards

2017: SFS Finance Cavalcade award for the best paper in asset pricing.

2013: China International Conference in Finance, best paper award.

2005: Doctoral Dissertation Fellowship, University of Minnesota.

2003-2004: Distinguished Teaching Award, Dept of Economics, University of Minnesota.

Teaching

2013-2016: Derivatives (Undergraduate and MBA), University of Minnesota.
Advanced Corporate Finance Theory (PhD), University of Minnesota.
General Equilibrium Asset Pricing (PhD), University of Minnesota.

2006-2012: Derivatives, MBA elective, Fuqua School of Business, Duke University

2010-2012: Introduction to Finance, Ph.D. course, Fuqua School of Business, Duke University.

Ph.D. Dissertation Committee

University of Minnesota: Jincheng Tong (main advisor), placed at Unversity of Toronto; Junyan Shen, 2016 (main advisor), placed at Iowa State University.
Geothe University of Frankfurt: Jun Li 2018 (co-advisor, Shanghai advanced institute of finance).
Duke University: Howard Kung, 2012 (UBC), Kai Li, 2013 (HKUST).

Conference Papers

2019 American Finance Association Meeting

2018 American Finance Association Meeting
European Summer Symposium in Financial Markets (Asset pricing)
China International Conference in Finance
Midwest Finance Association Annual Meeting
CAPR & NFI Workshop on "Production Based Asset Pricing".
The 15th Annual Conference in Financial Economics Research by Eagle Labs, IDC, Herzliya.

2017 American Finance Association Meeting
Utah Winter Finance

ASU Sonoran Winter Finance
Adam-Smith Workshop
Minnesota Macro Finance Conference
SFS Cavalcade 2017
Western Finance Association 2017
China International Conference in Finance
NBER SI Capital Markets
CITE Conference at the University of Chicago
SITE Conference (Finance and Labor)
European Finance Association Annual Meeting
European Summer Symposium in Financial Markets (Asset pricing)
Geothe University, 4th Asset Pricing Workshop.

2016 UBC Winter Finance 2016
NBER Summer Institute, Asset Pricing
2016 Meeting of the Society of Economic Dynamics
Minnesota Macro Theory Workshop

2015 American Financial Association Annual Meeting
Minnesota Macro-finance Conference
2015 Mitsui Finance Symposium
Western Finance Association Annual Meeting
2015 AFR Summer Institute of Economics and Finance
NBER SI 2015, Asset Pricing
2015 China International Conference in Finance
Econometric Society World Congress 2015
CSEF-EIEF-SITE Conference on Finance and Labor

2014 ASU Sonoran Winter Finance Conference.
Finance Down Under, University of Melbourne.
Western Finance Association Annual Meeting (two papers).
Econometric Society Summer Meeting (two papers).
Society of Economic Dynamics Annual Meeting.
NBER Summer Institute, Capital Markets.

2013 American Finance Association Annual Meeting 2013
Society of Financial Studies Cavalcade, 2013
Minnesota Macro Asset Pricing Conference, 2013
Northwestern Finance Conference, 2013
Macro Finance Workshop, 1st Meeting.
CAPR & NFI Workshop on "Production Based Asset Pricing".
Western Finance Association Annual Meeting, 2013
China International Conference in Finance, 2013
European Finance Association Annual Meeting.
2013 European Summer Symposium in Financial Markets, Gerzensee

2012 ASU Sonoran Winter Finance Conference 2012.
UBC Winter Finance Conference.
2012 SFS Finance Cavalcade
2012 Mitsui Finance Symposium, University of Michigan.
2012 Western Finance Association Meeting.
2012 European Summer Symposium in Financial Markets, Gerzensee.

2011 TAU Finance Conference, Tele Aviv, Israel.
NBER Capital Markets, Boston.
American Finance Association Annual Meeting, Denver, CO
22nd Annual Conference of Finance Economics and Accounting
Northern Finance Association Meeting, Vancouver.

2010 University of British Columbia Winter Finance Conference
21st Annual Conference of Finance Economics and Accounting
Econometric Society World Congress, Shanghai, China
Society of Economic Dynamics, Montreal, Canada

2009 Western Finance Association Annual Meeting, San Diego, CA

2008 Society of Economic Dynamics Annual Meeting, Boston, MA

2007 Western Finance Association, Annual Conference, Big Sky, MT

2005 Econometric Society World Congress 2005, London, UK
Midwest Macroeconomics Meeting, Iowa City, Iowa

2004 Midwest Theory Meeting, St. Louis, Missouri
North American Econometric Society Meeting, Rhode Island
Midwest Economic Association Annual Meeting, Chicago, Illinois

2003 Midwest Economic Theory Meeting, Bloomington, Indiana

Seminar Presentations

2019 Swiss Finance Institute, University of Wisconsin, Madison, Wharton School of Business, Shanghai Advanced Institute of Finance, Washington University at Sti Louis (scheduled), University of Chicago (scheduled).

2018: Boston University, Hong Kong University of Science and Technology (Economics), Duke University, Fuqua School of Business, Finance Brown Bag.

2017: University of North Carolina at Chapel Hill, City Unversity of HongKong, MIT, Sloan School of Management, Hong Kong University of Science and Technology, University of Calgary, University of Alberta, Nanyang Technological University, National University of Singapore, Singapore Management University.

2016: University of Toronto, Rotman School of Management, Duke Finance Browbag, Wharton International Trade Workshop.

2015: Hong Kong University of Science and Technology, Tsinghua University PBC School of Finance, Shanghai Advanced Institute of Finance, Shanghai University of Finance and Economics, University of Macau, SAFE center at Goethe University Frankfurt, University of Bonn, University of Texas at Austin.

2014: Georgia Institute of Technology, University of Cincinnati, University of Illinois at Urbana-Champaign, University of Rochester.

2013: University of Melbourne, University of Southern California, Federal Reserve Bank of Minneapolis.

2012: Utah State University, Temple University, University of Wisconsin at Madison at Madison, Cheung Kong Graduate School of Business, Remin University, Hanqing Institute, Central University of Finance and Economics.

2011: MIT Sloan School of Management, The University of New South Wales, University of Sydney, University of Technology Sydney, University of Calgary, University of Minnesota.

2010: East Carolina University, Federal Reserve Board.

2009: Department of Economics, University of North Carolina at Chapel Hill. Department of Economics, Duke University.

2008: The Federal Reserve Bank of Minneapolis, Wharton School, University of Pennsylvania.

2007: Northern Illinois University

2006: Carlson School of Management of University of Minnesota, Boston University, Duke University, University of Toronto, University of Illinois at Urbana Champaign, University of Iowa, Columbia University.

Conference Discussions:

2018: The leading premium, by Max Croce, Tatyana Marchuk, and Christian Schlag, *NBER Asset pricing*.

Foreign investment of US multinationals: the effect of tax policy and agency conflicts, by James Albertus, Brent Glover, and Oliver Levine, *Macro-finance Society Meeting*.

Understanding the credit multiplier: the working capital channel, by Hector Almeida, Daniel Carvalho, and Taehyun Kim, *Minnesota Corporate Finance Conference*.

Size premium waves, by Bernard Herskovic, Thilo Kind, and Howard Kung, *UBC Summer Conference*.

Competition, No Arbitrage, and Systemic Risk, by Ilona Babenko, Oliver Boguth, and Yuri Tserlukevich, *University of Washington Conference*.

Asset Pricing with Return Extrapolation, by Lawence Jin and Pengfei Sun, *China International Finance Conference*.

Optimal Short-Termism, by Dirk Hackbarth, Alejandro Rivera, Tak-Yuen Wong, *China International Finance Conference*.

2017: Innovation Waves, Investor Sentiment, and Mergers? By David Dicks and Paolo Fulghieri, *Midwest Finance.*

Multi-Frequency Trade, by Nicolas Crouzet, Ian Dew-Becker, and Charles G. Nathanson, *Minnesota Macro Asset Pricing Conference*.

Equilibrium Asset Pricing in Directed Networks, by Nicole Branger, Patrick Konermann, Christoph Meinerding, and Christian Schlag, *SFS Cavalcade*

Optimal Security Design under Asymmetric Information: A Robust Approach, by Andrey Malenko, Anton Tsoy, *SFS Cavalcade*.

Term Structure of Interest Rates with Short-run and Long-run Risks, by Olesya V. Grishchenko, Zhaogang Song, and Hao Zhou, *FIRS*.

Model Uncertainty, Ambiguity Aversion, and Market Participation, by David Hirshleifer, Chong Huang, and Siew Hong Teoh, *FIRS*.

Identifying information asymmetry in security markets, by Kerry Back, Kevin Crotty, and Tao Li, *City University of Hong Kong Conference*.

National Income Accounting when Firms Insure Workers, by Barney Hartman-Glaser, Hano Lustig, and Mindy Zhang, *WFA*.

Uncertainty premia for small and large risks, by Martin Puhl, Pavel Savor, and Mungo Wilson, *WFA*.

The Lost Capital Asset Pricing Model, by Daniel Andrei, Julien Cujean, and Mungo Wilson, *European Summer Symposium in Financial Markets*.

2016: Carlstrom and Fuerst meets Epstein and Zin: The Asset Pricing Implications of Contracting Frictions Joao Gomes, Ram Yamarthy, and Amir Yaron, *Annual Meeting of the American Finance Association.*

Do Individual Behavioral Biases Affect Financial Markets and the Macroeconomy? by Harjoat Bhamra and Raman Uppal, *Duke UNC Asset Pricing Conference.*

Optimal Deposit Insurance, by Eduardo Davila and Itay Goldstein, *Minnesota Corporate Finance Conference*.

Financing Constraints, Radical versus Incremental Innovation, and Aggregate Productivity, by Andrea Caggese, *SFS Cavalcade 2016.*

2015: Impediments to Financial Trade: Theory and Measurement, by Nicolae Garleanu, Stavros Panageas, and Jianfeng Yu, *Minnesota Macro Asset Pricing Conference*.

Firm Characteristics, Consumption Risk, and Firm-Level Risk Exposures, by Robert Dittmar and Christian Lundblad, *SFS Finance Cavalcade*.

Financing Intangible Capital, Qi Sun and Mindy Zhang, *6th Advances in Macro-Finance" conference in Santa Barbara.*

2014: Ramona Westermann, Measuring Agency Costs over the Business Cycle, *Northern Finance Association Meeting*, 2014

Adelino, Ma, and Robinson, Firm Age, Investment Opportunities, and Job Creation, *Minnesota Corporate Finance Conference*, 2014.

2013: Kogan and Papanikoloau, Technology Innovation: Winners and Losers, *NBER Asset Pricing, Spring 2013*.

Kondo and Papanikoloau, Innvoation Cycles, *European Summer Symposium in Financial Markets, CEPR, 2013* (scheduled).

2012: Bolton, Tano Santos, and Jose A. Scheinkman, Cream Skimming in Financial Markets, *Minnesota Corporate Finance Conference*.

Xiaoji Lin and Lu Zhang, Covariances, Characteristics, and General Equilibrium: A Critique, *the 2012 SFS Finance Cavalcade.*

Julien Hogonnier and Rodolfo Prieto, Arbitrageurs, Bubbles and Credit Conditions, *2012 Conference of the Financial Intermediation Research Society*.

2011: Ayse Imrohoroglu and Selale Tuzel, Firm Level Productivity, Risk and Return, *Western Finance Association Annual Meeting, 2011.*

Christopher S. Jones, and Selale Tuzel, New Orders and Asset Prices, *Western Finance Association Annual Meeting, 2011.*

George O. Aragon and Vikram Nanda, On Tournament Behavior in Hedge Funds: High Water Marks, Fund Liquidation, and the Backfilling Bias, *Western Finance Association Annual Meeting, 2011.*

2010: Hassan, T. and T. Mertens, "The Social Cost of Near Rational Investment", *Western Finance Association Annual Meeting, 2010*

Kogan, L. and D., Papanikoloau, "Growth Opportunities, Technology Shocks and Asset Prices", *American Finance Association Annual Meeting, 2010*.

2009: Avramov, D. and S. Hore, "Momentum, Information Uncertainty, and Leverage - an Explanation Based on Recursive Preferences", *American Finance Association Annual Meeting, 2009*.

2008: Chen, H, M.T. Kacperczyk and H. Ortiz-Molina, "Labor Unions and Expected Stock Returns," *American Finance Association Annual Meeting, 2008*.

2007: Garleanu, N. and S. Panageas, "Young, Old, Conservative and Bold: The Implications of Heterogeneity and Finite Lives for Asset Pricing", *Duke/UNC Asset Pricing Conference, 2007*.

Referee:

American Economic Review, Annals of Finance, Econometrica, Economic Theory, Financial Research Letters, Journal of Computational Economics, Journal of Economic Dynamics and Control, Journal of Finance, Journal of Financial Economics, Journal of Financial Intermediation, Journal of Monetary Economics, Journal of Political Economy, Management Science, Macroeconomic Dynamics, Quarterly Journal of Economics, Review of Economic Dynamics, Review of Economic Studies, Review of Finance, Revue Finance, Review of Financial Studies, Scandinavian Journal of Economics.

Services:

<u>Conference Program Committees</u>
Western Finance Association Annual Meeting, Program Committee Member, 2006-now.
European Finance Association Annual Meeting, program committee member, 2013-now.
Society of Financial Studies Cavalcade program committee member, 2014-now.
Midwest Finance Association Meeting, Committee Member, 2013-now.
Duke-UNC Asset Pricing Conference, 2012, co-organizer.
Finance Theory Group, 2017, co-organizer.

Midwest Finance Association, program chair for 2020.

Conference Session Chair

American Finance Association Annual Meeting, 2018.
Western Finance Association Annual Meeting, 2018.
Society of Financial Studies Cavalcade 2015, 2016.
The Financial Intermediation Research Society Meeting 2015, 2016.
Midwest Finance Associate Meeting, 2016, 2017.
Western Finance Association Annual Meeting, 2013.
American Economic Association Annual Meeting, 2013.

Research group membership
Finance theory group, member since 2013.
Macro-finance society, member since 2012.

Service at the University Level
University of Minnesota, Carlson School of Management
Seminar co-organizer, 2013/2014.
Recruiting committee, 2013, 2015, 2016, 2017.

Duke University, Fuqua School of Business
Co-organizer, Fuqua Finance Seminar, 2006/2007, 2010/2011
Organizer, Fuqua Finance Brown-bag Seminar, 2007, 2011
Recruiting Committee, 2009/2010