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Office Contact Information

Department of Economics & Bendheim Center for Finance, Princeton University
Julis Romo Rabinowitz Building
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Graduate Studies

Princeton University, 2015 – Present (Expected May 2022)
Ph.D. in Economics
Thesis Title: "Essays on Financial Institutions and Liquidity"

Princeton University, 2015 – 2017
M.A. in Economics

References

Professor Motohiro Yogo
Department of Economics
Bendheim Center for Finance
Princeton University
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Professor Markus Brunnermeier
Department of Economics
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Professor Wei Xiong
Department of Economics
Bendheim Center for Finance
Princeton University
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Undergraduate Studies

University of Bonn, 2012 – 2015
B.S. in Economics
Summa Cum Laude, Rank: 1/378

Research & Teaching Fields

Primary Field: Finance, Empirical Asset Pricing
Secondary Fields: Market Microstructure, Applied Machine Learning

Teaching Experience

Princeton University, Teaching Assistant

Fall 2017	ECO342, Money & Banking, with Professor Markus Brunnermeier
Fall 2017, 2018, 2019	ECO464/FIN519, Corporate Restructuring, with Professor O. Griffith Sexton

Princeton University, Advisor for Undergraduate Research

2017 to present	Junior Independent Work, with Professors Will Dobbie, Christopher Neilson, Adrien Matray, and Jonathan Payne

University of Bonn, Undergraduate Teaching Assistant

Spring 2013	Corporate Finance, with Professor Hendrik Hakenes

German Red Cross, High School Teacher, Koforidua, Ghana

Fall 2011	Computer Science, International Youth Voluntary Service Program (IJFD)

Research Experience & Other Employment

Summer 2018	Ph.D. Research Intern at Bundesbank (German Central Bank)
Summer 2017	Visiting Researcher at Bundesbank
Summer 2013	Consulting Intern at Ernst & Young (EY), Germany

Professional Activities

Referee for Econometrica, The Review of Economic Studies

Selected Presentations

2022	Yale SOM, Columbia GSB, Northwestern Kellogg, Berkeley Haas, INSEAD, Dartmouth Tuck, Vanderbilt Owen, Georgetown McDonough, Johns Hopkins Carey, Washington University Olin, University of Maryland Smith, University of Miami Herbert, University of Virginia Darden, Federal Reserve Board, PIMCO Portfolio Management Analytics and Client Services Analytics
2021	Morgan Stanley Quantitative Research Colloquium, BlackRock Applied Research Award, Young Economist Symposium, Princeton Civitas Seminar, Barclays Quantitative Portfolio Strategies, QuantCo, The Brazilian Stock Exchange B3

Honors & Awards

2021	BlackRock Applied Research Award Finalist
2021	The Ben Bernanke Prize in Financial and Monetary Economics
2019 - 2020	Griswold Center for Economic Policy Studies Fellowship
2015 - 2021	Princeton University Graduate Fellowship
2015 - 2017	German National Academic Foundation Fellowship
2013 - 2014	Cusanuswerk Foundation Fellowship
2013 - 2014	University of Bonn Exchange Program Scholarship
2012 - 2015	Konrad Adenauer Foundation Fellowship

Research Papers

"In Good Times and in Bad: High-Frequency Market Making Design, Liquidity, and Asset Prices," with P. Tremacoldi-Rossi, BlackRock Applied Research Award Finalist, The Ben Bernanke Prize in Financial and Monetary Economics
How can exchanges and regulators improve the liquidity and stability of modern financial markets through liquidity provision obligations and incentives? We exploit two market maker programs as natural experiments using unique message-level trade and quote data from the Brazilian stock exchange that reveal market participants' identities. We find combining obligations and incentives improves and stabilizes liquidity which attracts volume and lifts asset prices. In normal times, these positive effects are driven by the program incentives, while tight obligations constrain market makers and decrease market quality. In crises, however, the results flip: stocks with larger incentives experience worse liquidity dry-ups because voluntary liquidity providers withdraw; in contrast, tight obligations mitigate liquidity dry-ups because mandatory intermediaries step in as the liquidity providers of last resort. Overall, our results suggest that exchanges and regulators should combine incentives with countercyclical liquidity provision obligations.

"Interacting Anomalies," with K. Müller, more results and data on the project website
Revise and Resubmit, Review of Asset Pricing Studies
An extensive literature studies interactions of stock market anomalies using double-sorted portfolios. But given hundreds of known candidate anomalies, examining selected interactions is subject to a data mining critique. In this paper, we conduct a comprehensive analysis of all possible double-sorted portfolios constructed from 102 underlying anomalies. We find hundreds of statistically significant anomaly interactions, even after accounting for multiple hypothesis testing. An out-of-sample trading strategy that invests in the top backward-looking double-sort strategy generates equal-weighted (value-weighted) monthly average returns of 4% (2.7%) at an annualized Sharpe ratio of 2 (1.38), on par with state-of-the-art anomaly-based machine learning strategies.

"High-Frequency Trading and Price Informativeness," with J. Gider and C. Westheide
We study how the informativeness of stock prices changes with the presence of high-frequency trading (HFT). Our estimate is based on the staggered start of HFT participation in a panel of international exchanges. With HFT presence, market prices are a less reliable predictor of future cash flows and investment, even more so for longer horizons. Further, firm-level idiosyncratic volatility decreases, and the holdings and trades by institutional investors deviate less from the market-capitalization weighted portfolio as a benchmark. Our results document that the informativeness of prices decreases subsequent to the start of HFT. These findings are consistent with theoretical models of HFTs ability to anticipate informed order flow, resulting in decreased incentives to acquire fundamental information.

"Identifying the Price Impact of Fire Sales Using High-Frequency Surprise Mutual Fund Flows"
This paper proposes a new method to isolate a plausibly exogenous component of mutual fund flows to estimate the price impact of fire sales. The method addresses a potential reverse causality problem: instead of mutual fund outflows inducing fire sales, which drive down prices, poor stock returns reduce mutual fund returns, which in turn trigger outflows. The solution is to construct a new instrument from high-frequency surprise flows. Using surprise flows to reexamine important findings in the literature, I find equity markets are more elastic and less distortive than suggested.

"Payout-Induced Trading, Asset Demand Elasticities, and Market Feedback Effects"
This paper uses the reinvestment of corporate payouts by financial institutions as a nonfundamental shock to asset prices to estimate the slope of the demand curve for stocks and the real effects of stock returns on corporate financing and investment. Exploiting the separation of announcement and payment at the daily frequency, I find dividends in particular generate payment date price pressure but no announcement date news spillover effects, suggesting that dividend-induced trading is plausibly

exogenous to fundamentals. Using dividend-induced trading as a natural experiment for stock returns, I estimate an asset demand elasticity of 1.25 and document a releveraging market feedback effect on investment, where firms respond to an exogenous stock price increase by issuing debt and use the funds to invest.

Skills & Interests

Software	Python, Stata, LaTeX, big data (Dask), machine learning (Tensorflow, Scikit-learn), blockchain analysis (BlockSci)
Languages	German (native), French (proficient)
Interests	Soccer, Scuba diving, rock climbing, kiteboarding, golf, virtual reality, traveling