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Academic Experience

Max M. Fisher College of Business, The Ohio State University

Fisher College of Business Distinguished Chair in Finance, Professor of Finance, 2015-present
Dean's Distinguished Chair in Finance, Professor of Finance, 2010-2015

Stephen M. Ross School of Business, University of Michigan

Professor of Finance, Finance Area Chair, 2009-2010
Associate Professor of Finance (with tenure), 2006-2009

William E. Simon Graduate School of Business Administration, University of Rochester

Assistant Professor of Finance, 2002-2006

Education

The Wharton School, University of Pennsylvania. 1998-2002. Ph.D. in Finance, 2002. M.A. in Finance, 2000. [Ph.D. dissertation: Essays on the cross section of returns](#)

Washington University in St. Louis. 1996-1998. M.A. in Economics, 1997

The Graduate School of the People's Bank of China (renamed PBC School of Finance, Tsinghua University). 1993-1996. M.S. in Finance, 1996

Jiangxi University of Finance and Economics. 1989-1993. B.A. in Economics, 1993

Professional Honors and Awards

Keynote speech: "Global q -factors," the Inquire Europe Symposium on "Advances in Factor Investing across Asset Classes," Montreux, Switzerland, 2017

Keynote speech: "The investment CAPM," the European Financial Management Symposium on "Finance and Real Economy," Xiamen, China, 2017

“Digesting anomalies: An investment approach” (with Kewei Hou and Chen Xue) is [the most cited article published at Review of Financial Studies in 2015](#)

Inquire Europe, Institute for Quantitative Investment Research, grant of €10,000 for “Global q -factors” (with Kewei Hou and Chen Xue), 2016

Second Prize, the 22nd Chicago Quantitative Alliance (CQA) Annual Academic Competition, “A comparison of new factor models” (with Kewei Hou and Chen Xue), 2015

The Outstanding Working Professional MBA Elective Faculty Award, Fisher College of Business, The Ohio State University, 2015

Special Term Professor, School of Finance, Shanghai University of Finance and Economics, 2012-present

Research Fellow, Charles A. Dice Center for Research in Financial Economics, The Ohio State University, 2010-present

Distinguished Referee Award, Review of Financial Studies, 2010

Researcher of The Year Award, Stephen M. Ross School of Business, University of Michigan, 2010. “In recognition of his achievements on multiple scholarly dimensions, his stellar reputation in the field of finance, and his efforts to improve the research environment at the Stephen M. Ross School of Business”

Inaugural Distinguished Referee Award, Review of Financial Studies, 2009

National Bureau of Economic Research: Research Associate, 2009-present, Faculty Research Fellow, 2005-2009, Asset Pricing program

Special Term Professor, Shanghai Advanced Institute of Finance, Shanghai Jiaotong University, 2009-2012

Since 2007, “The value premium” (Zhang, 2005, Journal of Finance) and “Is value riskier than growth?” (Petkova and Zhang, 2005, Journal of Financial Economics) have been featured in Bodie, Kane, and Marcus’s Investments, a standard textbook for top business schools

“The value premium” is the 4th most highly cited article in the literature on anomalies and fundamental analysis since 2000 with the highest average number of citations per year (source: Richardson, Tuna, and Wysocki, 2010, Journal of Accounting and Economics)

“The value premium” is among the 25 most cited articles in Journal of Finance since 2004 (source: The American Finance Association Web site)

The 2007-08 NTT Research Fellowship Award, University of Michigan

Invited lecture on “Understanding anomalies: Is much of what we call alpha actually beta?” Sanford C. Bernstein Conference on Controversies in Quantitative Finance and Asset Management, New York City, March 2008

Gutmann Center Research Fellow, University of Vienna, April 2007

First Prize, the Smith-Breeden Award for Best Paper, 2005, the American Finance Association and Journal of Finance for “The value premium”

Runner-up for Best Paper Award at the 2005 Utah Winter Finance Conference for “Anomalies”

Runner-up for Barclays Global Investors Award for the Best Conference Paper at the 2005 European Finance Association Meetings for “The new issues puzzle: Testing the investment-based explanation” (with Evgeny Lyandres and Le Sun)

Dean’s Fellowship for Distinguished Merits, The Wharton School, 1998-2002

Research

Area of concentration: Asset pricing, in connection with macroeconomics, corporate finance, labor economics, computational economics, and capital markets research in accounting

Publications

- 2016 Petrosky-Nadeau, Nicolas, and Lu Zhang, [Solving the Diamond-Mortensen-Pissarides model accurately](#), forthcoming, **Quantitative Economics**.
- 2015 Hou, Kewei, Chen Xue, and Lu Zhang, [Digesting anomalies: An investment approach](#), **Review of Financial Studies** 28 (3), 650-705. Editor’s Choice, lead article.
[[The most cited article published at Review of Financial Studies in 2015](#)]
- 2014 Liu, Laura Xiaolei, and Lu Zhang, [A neoclassical interpretation of momentum](#), **Journal of Monetary Economics** 67, 109-128.
- 2014 Tang, Yue, Jin (Ginger) Wu, and Lu Zhang, [Do anomalies exist ex ante?](#) **Review of Finance** 18 (3), 843-875, lead article.
- 2013 Belo, Frederico, Chen Xue, and Lu Zhang, [A supply approach to valuation](#), **Review of Financial Studies** 26 (12), 3029-3067.
- 2013 Lin, Xiaoji, and Lu Zhang, [The investment manifesto](#), **Journal of Monetary Economics** 60 (3), 351-366.
- 2011 Gulen, Huseyin, Yuhang Xing, and Lu Zhang, [Value versus growth: Time-varying expected stock returns](#), **Financial Management** 40 (2), 381-407.
- 2011 Chen, Long, and Lu Zhang, [Do time-varying risk premiums explain labor market performance?](#) **Journal of Financial Economics** 99 (2), 385-399.
- 2010 Li, Dongmei, and Lu Zhang, [Does q-theory with investment frictions explain anomalies in the cross-section of returns?](#) **Journal of Financial Economics** 98 (2), 297-314.
- 2010 Wu, Jin (Ginger), Lu Zhang, and X. Frank Zhang, [The q-theory approach to understanding the accrual anomaly](#), **Journal of Accounting Research** 48 (1), 177-223.

- 2009 Liu, Laura Xiaolei, Toni M. Whited, and Lu Zhang, [Investment-based expected stock returns](#), **Journal of Political Economy** 117 (6), 1105-1139.
- 2009 Li, Erica X. N., Dmitry Livdan, and Lu Zhang, [Anomalies](#), **Review of Financial Studies** 22 (11), 4301-4334, lead article.
- 2009 Livdan, Dmitry, Horacio Sapriza, and Lu Zhang, [Financially constrained stock returns](#), **Journal of Finance** 64 (4), 1827-1862.
- 2008 Liu, Laura Xiaolei, and Lu Zhang, [Momentum profits, factor pricing, and macroeconomic risk](#), **Review of Financial Studies** 21 (6), 2417-2448.
- 2008 Lyandres, Evgeny, Le Sun, and Lu Zhang, [The new issues puzzle: Testing the investment-based explanation](#), **Review of Financial Studies** 21 (6), 2825-2855.
[Runner-up for Barclays Global Investors Award for the Best Conference Paper at the 2005 European Finance Association Annual Meetings]
- 2008 Liu, Naiping, and Lu Zhang, [Is the value spread a useful predictor of returns?](#) **Journal of Financial Markets** 11 (3), 199-227, lead article.
- 2008 Campello, Murillo, Long Chen, and Lu Zhang, [Expected returns, yield spreads, and asset pricing tests](#), **Review of Financial Studies** 21 (3), 1297-1338.
- 2008 Chen, Long, Ralitsa Petkova, and Lu Zhang, [The expected value premium](#), **Journal of Financial Economics** 87 (2), 269-280.
- 2006 Gomes, Joao F., Amir Yaron, and Lu Zhang, [Asset pricing implications of firms' financing constraints](#), **Review of Financial Studies** 19 (4), 1321-1356.
- 2005 Petkova, Ralitsa, and Lu Zhang, [Is value riskier than growth?](#) **Journal of Financial Economics** 78 (1), 187-202.
[Featured in Bodie, Kane, and Marcus, 2014, Investments]
- 2005 Zhang, Lu, [The value premium](#), **Journal of Finance** 60 (1), 67-103.
[First Prize, the Smith-Breeden Award for Best Paper, 2005, the American Finance Association and Journal of Finance]
[Featured in Bodie, Kane, and Marcus, 2014, Investments]
[The 4th most cited article in the literature on anomalies and fundamental analysis since 2000 with the highest average number of citations per year (source: Richardson, Tuna, and Wysocki, 2010, Journal of Accounting and Economics)]
[One of the 25 most cited articles in Journal of Finance since 2004 (source: The American Finance Association Web site)]
- 2004 Brandt, Michael W., Qi Zeng, and Lu Zhang, [Equilibrium stock return dynamics under alternative rules of learning about hidden states](#), **Journal of Economic Dynamics**

and Control 28 (10), 1925-1954, lead article.

2003 Gomes, Joao F., Amir Yaron, and Lu Zhang, [Asset prices and business cycles with costly external finance](#), **Review of Economic Dynamics** 6 (4), 767-788.

2003 Gomes, Joao F., Leonid Kogan, and Lu Zhang, [Equilibrium cross section of returns](#), **Journal of Political Economy** 111 (4), 693-732, lead article.

[Reprinted in “Stephen A. Ross, Mentor: Influence Through Generations,” ed. Mark Grinblatt, McGraw-Hill Irwin, 2008]

Other Publications

2016 Zhang, Lu, [Factors war](#), **Tsinghua Financial Review** 37, 101-104 in Chinese; [资产定价中的因子大战](#), 《清华金融评论》.

2014 Zhang, Lu, [Exploring asset pricing anomalies](#), **NBER Reporter** 1, 17-19.

Working Papers

Petrosky-Nadeau, Nicolas, Lu Zhang, and Lars-Alexander Kuehn, 2017, [Endogenous disasters](#), under third review, **American Economic Review**

Bai, Hang, Kewei Hou, Howard Kung, Erica X. N. Li, and Lu Zhang, 2016, [The CAPM strikes back? An investment model with disasters](#), under revision for second review, **Journal of Financial Economics**

Zhang, Lu, 2017, [The investment CAPM](#)

Hou, Kewei, Chen Xue, and Lu Zhang, 2016, [A comparison of new factor models](#)

[Second Prize, the 22nd Chicago Quantitative Alliance (CQA) Annual Academic Competition, 2015]

Petrosky-Nadeau, Nicolas, and Lu Zhang, 2013, [Unemployment crises](#)

Hou, Kewei, Chen Xue, and Lu Zhang, 2017, Global q -factors

[Inquire Europe, Institute for Quantitative Investment Research, grant of €10,000]

Zhang, Lu, 2017, Quantitative investment CAPM

Zhang, Lu, 2005, [Anomalies](#), NBER working paper 11322, permanent working paper

[Runner-up, Best Paper Award at the 2005 Utah Winter Finance Conference]

Teaching

Max M. Fisher College of Business, The Ohio State University

Investment Management I, M.B.A. and Undergraduate programs
Theory of Finance, Ph.D.
Advanced Asset Pricing, Ph.D.

Stephen M. Ross School of Business, University of Michigan

Derivative Securities, B.B.A.
Capital Markets and Investment Strategy, M.B.A.
Empirical Methodology in Finance, Ph.D.

William E. Simon Graduate School of Business Administration, University of Rochester

Investments, Corporate Finance, M.B.A.
Advanced Topics in Capital Markets, Ph.D.

Professional Activities

Professional Leadership

Critical Finance Review, Associate Editor, 2010-present
European Financial Management, Associate Editor, 2017-present
Finance Research Letters, Associate Editor, 2013-present
Financial Management, Associate Editor, 2009-2011
Journal of Banking and Finance, Associate Editor, 2015-present
Journal of Financial and Quantitative Analysis, Associate Editor, 2011-present
Journal of Financial Economics, Associate Editor, 2011-present
Management Science, Associate Editor, 2009-2012
Quarterly Journal of Accounting and Finance, Advisory Editor, 2015-present
Review of Financial Studies, Associate Editor, 2009-2012

Service Leadership

Macro Finance Society: Founding President (2012-2013), Board of Directors (2012-2014)

American Finance Association: Nominating Committee (2013)

The Ohio State University: Department of Finance Executive Committee (2011-present),
Fisher College Promotion and Tenure Committee (2012-2016), both elected by faculty

University of Michigan: Finance Area Chair (2009-2010), Chair of Investments Curriculum Task
Force (2008-2009), Ross School of Business Community Values Committee (2007-2008)

Ph.D. Students Supervised

2017 Ivan Alfaro, Ohio State, "Production-based exchange rates." Placement: BI Norwegian
Business School

2016 Hang Bai, Ohio State, "Unemployment and credit risk." Placement: University of
Connecticut

- 2015 Woo Hwa Koh, Ohio State, "The impact of uncertainty shocks on the cross-section of returns." Placement: Korea Advanced Institute of Science and Technology (KAIST)
- 2014 Andrew Y. Chen, Ohio State, "External habit in a production economy: A unified model of asset prices and aggregate fluctuations." Placement: Federal Reserve Board
- 2012 Chen Xue, University of Michigan, "Cross-sectional stock returns and mutual fund performance evaluation: An investment-based investigation." Placement: University of Cincinnati
- 2009 Ryan Israelsen, University of Michigan, "Investment based valuation." Placement: Indiana University
- 2008 Xiaoji Lin, University of Minnesota, "Endogenous technological progress and the cross section of stock returns." Placement: London School of Economics
- 2007 Erica Xuenan Li, University of Rochester, "Corporate governance, the cross section of returns, and financing choices." Placement: University of Michigan
- 2005 Laura Xiaolei Liu, University of Rochester, "Do firms have target leverage ratios? Evidence from historical market-to-book and past return." Placement: Hong Kong University of Science and Technology
- 2005 Horacio Saprizza, University of Rochester, "Sovereign default and interest rates in emerging market economies." Placement: Rutgers Business School
- 2003 Ralitsa Petkova, University of Rochester, "Do Fama-French factors proxy for innovations in predictive variables?" Placement: Case Western Reserve University

Professional Affiliations

American Economic Association. The Econometric Society. American Finance Association. Western Finance Association. Macro Finance Society.

Biography

Dr. Lu Zhang is Fisher College of Business Distinguished Chair in Finance and Professor of Finance at The Ohio State University, as well as Research Associate at National Bureau of Economic Research (Asset Pricing program) and Associate Editor for Journal of Financial Economics and Journal of Financial and Quantitative Analysis. He is a co-founder (and President in 2012-2013) of Macro Finance Society, an international academic society devoted to advancing and disseminating high-quality research at the intersection of financial economics and macroeconomics. Before joining Ohio State in 2010, he taught at Stephen M. Ross School of Business at University of Michigan and William E. Simon Graduate School of Business Administration at University of Rochester. Dr. Zhang's research focuses on asset pricing, in relation with macroeconomics, corporate finance, labor economics, computational economics, and capital markets research in accounting. His work proposes and elaborates the investment CAPM, which is a unified, conceptual framework for understanding asset pricing anomalies. His recent work shows how labor market frictions can give rise endogenously to rare disasters. Dr. Zhang has published extensively at leading academic journals including Journal of

Accounting Research, Journal of Finance, Journal of Financial Economics, Journal of Monetary Economics, Journal of Political Economy, Quantitative Economics, and Review of Financial Studies. His doctoral thesis "The value premium" won **the Smith-Breedon Award for Best Paper** for 2005 from American Finance Association and the Journal of Finance.

Recent publications include "Solving the DMP model accurately" (with Petrosky-Nadeau), forthcoming, Quantitative Economics; "Digesting anomalies: An investment approach" (with Hou and Xue), Review of Financial Studies, 2015; "A neoclassical interpretation of momentum" (with Liu), Journal of Monetary Economics, 2014; "A supply approach to valuation" (with Belo and Xue), Review of Financial Studies, 2013; "The investment manifesto" (with Lin), Journal of Monetary Economics, 2013; "Do time-varying risk premiums explain labor market performance?" (with Chen), Journal of Financial Economics, 2011; "Does q -theory with investment frictions explain anomalies in the cross-section of returns?" (with Li), Journal of Financial Economics, 2010; "The q -theory approach to understanding the accrual anomaly" (with Wu and Zhang), Journal of Accounting Research, 2010.

Dr. Zhang has extensive teaching experience at the undergraduate, M.B.A., and Ph.D. levels. He has taught Investment Management, Derivative Securities, Capital Markets and Investment Strategy, Corporate Finance, Theory of Finance, and Advanced Asset Pricing. In 2015, he was voted **the Outstanding Working Professional MBA Elective Faculty Award** recipient at Fisher College of Business, The Ohio State University.

Jiangxi University of Finance and Economics, B.A. in Economics, 1993. The Graduate School of the People's Bank of China (renamed PBC School of Finance, Tsinghua University), M.S. in Finance, 1996. Washington University in St. Louis, M.A. in Economics, 1997. The Wharton School, University of Pennsylvania, M.A. in Finance, 2000, Ph.D. in Finance, 2002.

Born on August 31, 1972. Citizen of China, U.S. Permanent Resident.

Married to Yiqing Zhang.

Two cats, Kiddy and Mashou, and three parrots, Mango, Greenie, and Tilly.