MASAHIRO WATANABE

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Education

Ph.D., Management (Financial Economics), Yale University, 1998 – present, expected December 2003
M.Phil., Management (Financial Economics), Yale University, 2001
MA, Management (Financial Economics), Yale University, 2000
MBA, Analytic Finance and Econometrics, University of Chicago, 1996
B.S., Electronic Engineering, University of Tokyo, Japan, 1991

Academic Appointment

Assistant Professor, Jones Graduate School of Management, Rice University, July 2003-Present.

Working Papers

- "Rational Trend Followers and Contrarians in Excessively Volatile, Correlated Markets," 2003.
- "A Model of Stochastic Liquidity," 2003.
- "Investor Sentiment in Japanese and U.S. Daily Mutual Fund Flows," (with Stephen J. Brown, William N. Goetzmann, Takato Hiraki, and Noriyoshi Shiraishi), 2002.
- "Price Impact Costs and the Limit of Arbitrage," (with Zhiwu Chen and Werner Stanzl), 2002.

Professional Presentations

Conferences

- European Finance Association Meeting, Glasgow, Scotland, scheduled September 2003.
  - "A Model of Stochastic Liquidity"
- Blaise Pascal Conference on Financial Modeling, Paris, France, July 2003.
  - "Rational Trend Followers and Contrarians in Excessively Volatile, Correlated Markets"
- Western Finance Association Meeting, Los Cabos, Mexico, June 2003.
  - "A Model of Stochastic Liquidity"
- American Finance Association Meeting, Washington D.C., January 2003.
  - "Rational Trend Followers and Contrarians in Excessively Volatile, Correlated Markets"
- European Finance Association Meeting, Berlin, Germany, August 2002.
  - "Price Impact Costs and the Limit of Arbitrage"

    - "Investor Sentiment in Japanese and U.S. Daily Mutual Fund Flows"
- Western Finance Association Meeting, Park City, Utah, June 2002.
    - "Price Impact Costs and the Limit of Arbitrage"
- APFA/PACAP/FMA Meeting, Tokyo, Japan, July 2002.
    - "Rational Trend Followers and Contrarians in Excessively Volatile, Correlated Markets"
    - "Price Impact Costs and the Limit of Arbitrage"

Workshop
- Trading Technology Workshop, Tokyo, Japan, July 2002 (invited).
    - "Price Impact Costs and the Limit of Arbitrage"

Professional Services

Discussant
- European Finance Association Meeting, Berlin, Germany, August 2002.
- APFA/PACAP/FMA Meeting, Tokyo, Japan, July 2002 (two discussions).

Review Committee Member
- APFA/PACAP/FMA Meeting, Tokyo, Japan, July 2002.

Honors

- Yale University Fellowship, 1998-2002.
- Heiwa Nakajima Foundation Fellowship, 1998-2000.
- Rotary Foundation Fellowship, 1998-2001 (Offer declined).
- Sumitomo Bank Fellowship, 1994-1996.

Research Interests

Theoretical and Empirical Asset Pricing, Market Microstructure, Heterogeneous Beliefs, Behavioral Finance, and Continuous-Time Finance.

Teaching Interests

Investments, Derivatives Securities and Financial Engineering, Fixed Income Securities, International Finance, and Corporate Finance.

Research Experience

Research Assistant, Yale School of Management
- Professor William N. Goetzmann, Spring 2000, Fall 2000.
- Professor Zhiwu Chen, Fall 1999, Spring 2001.

Teaching Experience

Teaching Assistant, Yale School of Management
- Professor William N. Goetzmann, Empirical Research in Finance and Accounting (Ph.D. level), Spring 2002.

- Professor Jonathan E. Ingersoll, Jr., Financial Instruments and Contracts (MBA level), Fall 2001, Fall 2000.
- Professor Hua He, Financial Economics II (Ph.D. level), Spring 2001.
- Professor K. Geert Rouwenhorst, Internaional Finance (MBA level), Spring 2001.
- Professor Zhiwu Chen, Financial Economics I (Ph.D. level), Fall 2000.

Working Experience

- Associate, Financial Engineering Dept., Sumitomo Bank, Tokyo, Japan, 1991-1998. Structured interest-rate and foreign-exchange derivatives and asset-backed securities based on customer needs. Clients included over 30 companies listed on the Tokyo Stock Exchange.
- Ad hoc Consultant, Real Options Project, Andersen Consulting, Tokyo, Japan, 2001.

Professional Affiliations

- CMA (Chartered Member of Security Analyst Association of Japan), since 1994.
- Member, American Finance Association, since 2001.
- Member, Western Finance Association, since 2003.
- Member, European Finance Association, since 2002.
- Member, Japanese Association of Financial Econometrics and Engineering, since 1997.