

**Jacobs Levy Equity Management Center
for Quantitative Financial Research**

**2022 Annual Conference
September 16, 2022**

2019, 2020, 2021, and 2022 Jacobs Levy Center Research Paper Prizes
Bruce I. Jacobs, Ph.D., Advisory Board Chair, Jacobs Levy Center
Kenneth N. Levy, Advisory Board, Jacobs Levy Center

BRUCE JACOBS:

Thank you, Chris and Craig.

The Jacobs Levy Center's Research Paper Prizes were established in 2014 to recognize outstanding scholarship in quantitative financial research by members of the Wharton faculty and their co-authors. Award winners for three Outstanding Papers and one Best Paper are selected from submissions to the Center's working papers series. A \$5,000 prize is awarded to each Outstanding Paper, and the Best Paper honor comes with a \$10,000 award.

While circumstances have prevented us from publicly awarding the honorees for the past few years, today we are delighted to recognize and congratulate the winners of the prizes from 2019 through 2022.

I will begin by announcing the winners of the 2019 prizes, then turn things over to Ken for 2020 through 2022. After we have announced the recipients, we will invite the authors of the winning papers to step forward and receive their awards.

For 2019, the Outstanding Paper prizes go to Jianan Liu for "Co-movement in Arbitrage Limits;" Sylvain Catherine for "Countercyclical Labor Income Risk and Portfolio Choices Over the Life-Cycle," which was published in the *Review of Financial Studies*; and Jules van Binsbergen, William Diamond, and Marco Groth for "Risk-Free Interest Rates," which was published in the *Journal of Financial Economics*.

The winner of the Best Paper prize for 2019 is Alejandro Lopez-Lira for "Risk Factors that Matter: Textual Analysis of Risk Disclosures for the Cross-Section of Returns," which finds that a pricing model based on textual analysis of risk factors, disclosed by firms in their annual reports, performs at least as well as traditional factor models.

And now I'll turn it over to Ken.

KEN LEVY:

For 2020, the Outstanding Paper prizes go to Winston Wei Dou, Lucian Taylor, Wei Wang, and Wenyu Wang for “Dissecting Bankruptcy Frictions,” which was published in the *Journal of Financial Economics*; Lubos Pastor, Robert Stambaugh, and Lucian Taylor for “Sustainable Investing in Equilibrium,” which was also published in the *Journal of Financial Economics*; and Terrence Blackburne, John Kepler, Phillip Quinn, and Daniel Taylor for “Undisclosed SEC Investigations,” which will appear in a forthcoming issue of *Management Science*.

The Best Paper prize for 2020 goes to Larry Cordell, Michael Roberts, and Michael Schwert for “CLO Performance,” which explores the market frictions that give rise to collateralized debt obligations. It will appear in a forthcoming issue of the *Journal of Finance*.

For 2021, the Outstanding Paper prize winners are Xiao Han, Nikolai Roussanov, and Hongxun Ruan for “Mutual Fund Risk Shifting and Risk Anomalies;” Jeremy Michels for “Retail Investor Trade and the Pricing of Earnings;” and Paul Goldsmith-Pinkham, Matthew Gustafson, Ryan Lewis, and Michael Schwert for “Sea Level Rise Exposure and Municipal Bond Yields.”

The 2021 Best Paper prize goes to Lubos Pastor, Robert Stambaugh, and Lucian Taylor for “Dissecting Green Returns,” which finds that the recent strong performance of environmentally friendly assets owes more to investors’ climate concerns than to high expected returns. It will appear soon in the *Journal of Financial Economics*.

And, finally, for 2022, Alejandro Lopez-Lira and Nikolai Roussanov won an Outstanding Paper prize for “Do Common Factors Really Explain the Cross-Section of Stock Returns?”. Alejandro will be presenting this paper in the next session.

Jules van Binsbergen and Michael Schwert also won an Outstanding award for their paper “Duration-Based Valuation of Corporate Bonds,” as did Bradford (Lynch) Levy and Felix Nockher for “Pricing Public Information: The Role of Trade.”

The Best Paper prize for 2022 goes to Jianan Liu, Tobias Moskowitz, and Robert Stambaugh for “Pricing Without Mispricing,” which seeks to determine which prominent pricing model best describes stock returns.

We invite the authors of the winner papers who are here today to join us at the podium to accept their awards. Congratulations!