RAJNA GIBSON BRANDON

Professional Address
Geneva Finance Research Institute
University of Geneva
40 Blvd Pont d'Arve
CH-1211 Geneva 4
Switzerland
Tel: +41 (022) 379 80 83
E-mail: rajna.gibson@unige.ch
www.gfri.ch

Private Address
7 Passage de l'Intendant
CH-1227 Carouge
Switzerland
Tel: +41 (022) 301 86 48

EDUCATION

1987 PhD, summa cum laude, Economic and Social Sciences (Specialization in Finance), University of Geneva, Switzerland

1982 Licence in Commercial and Industrial Sciences (Business Administration), University of Geneva, Switzerland

1979 Baccalauréat Type C, Collège du Léman, Versoix, Switzerland

Languages: French, English, German, Croatian

ACADEMIC EXPERIENCE

SEP 2008 – current Swiss Finance Institute Professor of Finance at the University of Geneva

MAR 2009 – current Director, Geneva Finance Research Institute, University of Geneva

JAN 2006 – DEC 2014 Director of Research of the Swiss Finance Institute (SFI)

DEC 2009 – Nov 2013	Deputy Director of the National Centre of Competence in Research, Financial Valuation and Risk Management (FINRISK)
NOV 2001 – NOV 2009	Director of the National Centre of Competence in Research, Financial Valuation and Risk Management (FINRISK)
MAR 2000 – JUL 2008	Full Professor of Finance, Swiss Banking Institute, University of Zurich
OCT 2001 – DEC 2006	Scientific Director of the Master of Advanced Studies in Finance, jointly offered by the University of Zurich and ETHZ
SEP 1991 – MAR 2000	Full Professor of Finance, Ecole des HEC, University of Lausanne
JAN 1999 - MAR 2000	Director of the Institute of Banking and Financial Management, University of Lausanne
SEP 1993 – JUL 1997	Director, Master in Banking and Finance, Ecole des HEC, University of Lausanne
JAN 1998 – DEC 1999	Director of Research, Financial Asset Management and Engineering (FAME), Switzerland
FEB 1990 – AUG 1991	Assistant Professor of Finance, Groupe HEC, Jouy-en-Josas, France
OCT 1987 – JAN 1990	Postdoctoral Scholar, UCLA and Visiting Scholar, NYU Funded by the Swiss National Science Foundation, researched the pricing of real options and oil contingent claims (with Professor Eduardo Schwartz at UCLA)
SEP 1982 – SEP 1987	PhD student and Assistant in Finance, Department of

Commercial and Industrial Sciences, University of Geneva, Doctoral thesis, ”Un Modèle d’Evaluation en Univers Incertain des Obligations Assorties d’une Clause de Remboursement Anticipé: Le Cas des Titres Emis par la Confédération Helvétique”

Summers 1984-1986 Teaching Assistant, Center of Monetary and Banking Studies, Geneva

CURRENT COURSES TAUGHT

- Hedge Funds, Autumn 2014, Masters in Wealth Management, UNIGE
- Advanced Asset Pricing, Spring 2015, Masters in Wealth Management, UNIGE

CURRENT RESEARCH INTERESTS

- Asset Pricing
- Risk Management
- Real Options
- Corporate Governance and Behavioral Corporate Finance
- Experimental Finance

PROFESSIONAL EXPERIENCE

- Created the financial and legal structure of Athina SA, a Geneva-based numismatic corporation in 1987
- Part-time trainee in the trading, research, and institutional Portfolio Management departments of Lombard Odier & Cie, MAR–JUN 1983
- Trainee in the trading and legal departments of an oil trading company located in Geneva, Summer 1979 and Summer 1980

REGULATORY BODIES

JAN 1997 - DEC 2004 Member, Swiss Federal Banking Commission

JAN 1995 - DEC 1996 Member, Swiss Takeover Board

BOARD MEMBERSHIPS

JUN 2000 – Current Member of the Board of Directors of Swiss Re

April 2012- Current Member of the Board of Directors of Banque Privée Edmond De Rothschild

PROFESSIONAL ACTIVITIES

President, Scientific Council of Training Center for Investment Professionals, Bülach

Member, Advisory Board of the Finance Summit Conference

Member of the Board and of the Scientific Council of the Fondation Natixis, Paris

ACADEMIC MEMBERSHIPS

- American Finance Association
- European Finance Association

EDITORIAL ACTIVITIES

Referee for the following journals:

- Journal of Finance
- Review of Financial Studies

02.02.2015

- American Economic Review
- Journal of Financial & Quantitative Analysis
- Journal of Banking and Finance
- Review of Finance
- Revue Finance

ACADEMIC HONORS

CFA Toronto Award for Best Paper on Capital Markets, 2011, for the paper, The Determinants of Bank Lobbying Activities, presented at the Northern Finance Association Conference, co-authored with Dr. Miret Padovani

President, European Finance Association, 2007

Honorary Professor of Finance, University of Lausanne, March 2000

The SWX Best Paper Award, 2004, for the paper, Stock Market Performance and the Term Structure of Credit Spreads, presented at the 7th SGF Conference: Financial Markets and Portfolio Management, co-authored with Andrei Demchuk, (published in the Journal of Financial and Quantitative Analysis, Vol. 1, No. 4, 2006)

The Finance Symposium of Interlaken Finance Award of the Year, 1995, for research on option pricing theory and the creation of the Master in Banking and Finance (at the Ecole des HEC, University of Lausanne)

Greenwich Capital Markets Investments Prize, 1990, for the paper, Stochastic Convenience Yield and the Pricing of Oil Contingent Claims, The Journal of Finance, Volume 45, No. 3, 1990, (co-authored with Eduardo Schwartz)

Iddo Sarnat Annual Memorial Award, 1990, for the paper, Valuing Swiss Default-Free Callable Bonds: Theory and Empirical Evidence, awarded jointly by the European Finance Association and the Journal of Banking and Finance for the best paper published in the JBF that year, (Journal of Banking and Finance*,* Vol. 14, 1990)

Latsis Prize, 1988, for the PhD dissertation, A Model for the pricing of Default-Free Callable Bonds: The Case of Swiss Government Bonds

RESEARCH PUBLICATIONS

"Reinsurance or Securitization: The Case of Natural Catastrophe Risk", *Journal of Mathematical Economics*, volume 53, August, pp 79-100, 2014. (co-authored with Michel Habib and Alexandre Ziegler).

"Margining in Derivatives Markets and the Stability of the Banking Sector", Working Paper, University of Geneva, *Journal of Banking and Finance ,* 2013, (co-authored with Carsten Murawski)**.**

"Preferences for Truthfulness: Heterogeneity Among and Within Individuals", *The American Economic Review,* 103(1): 1–18, 2013, (co-authored with Carmen Tanner and Alexander F. Wagner).

"Liquidity Risk, Return Predictability and Hedge Fund Performance: An Empirical Study", *v*olume 48, issue 01, pp. 219-244, 2013, *Journal of Financial and Quantitative Analysis*, (co-authored with S. Wang).

"Optimal Hedge Fund Portfolios under Liquidation Risk", *Quantitative Finance*, Vol. 11, No. 1, January 2011, pp. 53-67, (co-authored with S. Gyger)

"Modeling the Term Structure of Interest Rates: A Review of the Literature", in *Foundations and Trends in Finance*, Vol. 5, No. 1-2, pp. 1-156, 2010, (co-authored with F. Lhabitant and D. Talay)

"Viscosity Solutions to Optimal Portfolio Allocation Problems in Models with Random Time Changes and Transaction Costs", *Radon Series on Computational and Applied Mathematics*, Vol. 8 , pp. 1-37, 2009, (co-authored with C. Blanchet-Scaillet, B. de Saporta, D. Talay and E. Tanré)

"Stock Options and Managers Incentives to Cheat*", Review of Derivatives Research*, Vol. 11, pp. 41-59, 2008 (co-authored with M. Chesney)

"Financial Integration, Economic Instability and Trade Structure in Emerging Markets", *Journal of International Money and Finance*, Vol. 27, No. 4, pp. 654-675, 2008 (co-authored with A. Chambet)

"Model Risk for European-Style Stock Index Options", *IEEE Transactions on Neural Networks*, Vol. 18, No. 1, January 2007, (co-authored with R. Gencay)

“The Style Consistency of Hedge Funds”, *European Financial Management (Special Issue on Hedge Funds)*, Vol. 13, No. 2, 2007, (co-authored with S. Gyger)

“Technical Analysis Compared to Mathematical Models Based Methods under Parameters Mis-specification”, (shorter version of NCCR FINRISK Working Paper No. 253), *Journal of Banking and Finance*, Vol. 31, No. 5, 2007, pp. 1351-1373, (co-authored with C. Blanchet-Scaillet, A. Diop, D. Talay and E. Tanré)

“Model Misspecification Analysis for Bond Options and Markovian Hedging Strategies”, *Review of Derivatives Research*, Vol. 9, No. 2, September 2006, (co-authored with M. Bossy, F. Lhabitant, N. Pistre and D. Talay)

“Stock Market Performance and the Term Structure of Credit Spreads”, *Journal of Financial and Quantitative Analysis*, Vol. 1, No. 4, December 2006, (co-authored with A. Demchuk)

“Analyzing Firms Strategic Investment Decisions in a Real Options Framework”, *Journal of International Financial Markets, Institutions & Money,* 2003, pp. 1-29, (co-authored with P. Botteron and M. Chesney)

“Performance in the Hedge Funds Industry: An Analysis of Short and Long-Term Persistence”, *Journal of Alternative Investments* Vol. 6, No. 3, 2003 (co-authored with P. Barès and S. Gyger)

“The Pricing of Systematic Liquidity Risk: Empirical Evidence from the US Stock Market”, *Journal of Banking and Finance,* 2003, pp. 1-74, (co-authored with N. Mougeot)

“Reducing Asset Substitution with Warrant and Convertible Debt Issues”, *Journal of Derivatives*, Vol. 9, No. 1, Fall 2001, pp. 39-52, (co-authored with M. Chesney)

“Volatility Model Risk Measurement against Worst Case Volatilities”, *Journal de la Société Française de Statistique*, Vol. 141, No. 1-2, 2000 (co-authored with M. Bossy, F. Lhabitant, N. Pistre, D. Talay and Z. Zheng)

“Do Newly Listed Derivatives Affect the Market Risk Premia in a Thin Stock Market?”, *European Finance Review,* Vol. 4, 2000, pp. 97-127, (co-authored with N. Clerc)

“Recovery Risk in Stock Returns”, *Journal of Portfolio Management*, Vol. 27, No. 2, Fall 2000 pp. 22-31, (co-authored with A. Agkun)

"A Large Deviation Approach to Portfolio Management", *International Journal of Theoretical & Applied Finance,* Vol. 3, No. 4, 2000, pp. 617-639, (co-authored with P. Barès, R. Cont, L. Gardiol and S. Gyger)

"Rethinking the Quality of Risk Management Disclosure*", Derivatives Use, Trading and Regulation,* Vol. 5, No. 3, 1999, pp.248-282

"Are Investors sensitive to the Quality and the disclosure of Financial Statements*?", European Finance Review,* Vol. 3, No. 2, 1999, pp. 131-159, (co-authored with B. Caramanolis, L. Gardiol and N. Tuchschmid)

"Interest Rate Risk : An Overview", *Journal of Risk*, Vol. 1, No. 3, 1999, pp. 37-62, (co-authored with F. Lhabitant, N. Pistre and D. Talay)

"A Theoretical Analysis of the Liquidity Risk Premium Embedded in the Prices of Voting and Non-Voting Stocks", *Journal of Corporate Finance,* 1999, pp. 209-225, (co-authored with N. Beiner)

"The Investment Policy and the Pricing of Equity in a Levered Firm: A Reexamination of the Contingent Claims Valuation Approach", *European Financial Journal*, Vol. 5, 1999, pp. 95-107, (co-authored with M. Chesney)

"Options, Futures and Stock Market Interactions: Empirical Evidence from the Swiss Stock Market", *Review of Derivatives Research*, Vol. 2, No. 1, 1998, pp. 59-86, (co-authored with M. Bruand)

"Forecasting Stock Market Volatility: Does History Matter?", *European Financial Management*, Vol. 4, No. 3, November 1998, pp. 293-319 (co-authored with K. Adjaoute and M. Bruand)

"Are Liquidity and Corporate Control Priced by Shareholders? Empirical Evidence from the Swiss Dual Class Shares", *Journal of Corporate Finance*, Vol. 3, 1997, pp. 299-323, (co-authored with L. Gardiol and N. Tuchschmid)

"Risikokontrolle und Regulierung der derivativen Finanzmarkte aus ökonomischer Sicht", *Revue de Droit Suisse*, Vol. 137, 1996, (co-authored with H. Zimmermann)

"Long Term Options on the Swiss Market Index and Portfolio Insurance Strategies", *Derivatives Quarterly*, Vol. 3, Nr. 1, 1996, (co-authored with H. Zimmermann and S. Tolle)

"Analyzing and Monitoring Derivatives Risks - Part 2", *Derivatives Use, Trading and Regulation*, Vol. 2, No. 2, 1996, (co-authored with H. Zimmermann)

"Analyzing and Monitoring Derivatives Risks: An Economic Perspective", *Derivatives Use, Trading and Regulation*, Vol. 2, No. 1, 1996, (co-authored with H. Zimmermann)

"State Space Symmetry and Two Factor Option Pricing Models", *Advances in Futures and Options Research*, Vol. 8, 1995, (co-authored with M. Chesney)

"Arbitrage Trading and Index Option Pricing at Soffex: An Empirical Study Using Daily and Intradaily Data", *Finanzmarkt und Portfolio Management*, Vol. 9, No. 1, 1995, pp. 35-60 (co-authored with M. Chesney and H. Loubergé)

"The Impact of Investment Constraints on Portfolio Performance Measurement: The Power Utility Function Case", *Financial Review*, Vol. 30, No.2, May 1995, pp. 243-273 (co-authored with N. Tuchschmid)

"Analytical Solution for the Pricing of American Bond and Yield Options", *Mathematical Finance*, Vol. 3, No. 3, July 1993, pp. 277-294, (co-authored with M. Chesney and R.J. Elliott)

"The Pricing of Crude Oil Futures Options Contracts", *Advances in Futures and Options Research*, 1993, pp. 291-311 (co-authored with E. Schwartz)

"Valuing Swiss Default-Free Callable Bonds: Theory and Empirical Evidence", *Journal of Banking and Finance*, Vol. 14, 1990, pp. 649-672

"Stochastic Convenience Yield and the Pricing of Oil Contingent Claims", *Journal of Finance*, Vol. 45, No. 3, July 1990, pp. 959-976 (co-authored with E. Schwartz)

"Les Modèles d'Equilibre de la Structure des Taux d'Intérêt: Un Essai de Synthèse", *Finance*, Vol. 8, No. 2, 1987

BOOKS

Model Risk: Concepts, Calibration and Pricing, Editor, Risk Books, London, 2000

L'Evaluation des Options, Presses Universitaires de France, Paris, 1993

Option Valuation: Analyzing and Pricing Standardized Option Contracts, McGraw-Hill, New York, 1991

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Obligations et Clauses Optionnelles: Principes d'Evaluation, Presses Universitaires de France, Collection Finance, Paris, 1990

BOOK CHAPTERS

"Protected Values and Economic Decision Making," in Tobias Brosch & David Sander, ed., *The Handbook of Value* , Oxford University Press, in production, (co-authored with Carmen Tanner and Alexander Wagner),

"Sacred Values and Ethical Decision-Making", in *Sozialpsychologie und Oekonomie*, edited by E. H. Witte and T. Gollan, Pabst Verlag, 2010 (co-authored with C. Tanner and A. Wagner)

"Technical Analysis Techniques versus Mathematical Models: Boundaries of their Validity Domains", Monte-Carlo and Quasi-Monte Carlo Methods, edited by H. Niederreiter and D. Talay, Springer Verlag, Berlin, 2006, (co-authored with E. Tanré, C. Blanchet-Scaillet, A. Diop and D. Talay)

"Interest Rate Model Risk" in *Asset and Liability Management: a Synthesis,* edited by Risk Books, 1998 (co-authored with F. Lhabitant, N. Pistre and D. Talay)

"A Comment on Derivatives and Privatization, Evidence from the Telecommunications Industry in Europe and Implications for Switzerland", in *Economic Policy in Switzerland*, edited by P. Bacchetta and W. Wasserfallen, MacMillan Press LTD, London, 1997

"Dual Class Share Firms and Seasoned Equity Offerings: Empirical Evidence From the Swiss Stock Market", *Advances in Finance, Investment and Banking Series*, *Volume: Empirical Issues in Raising Equity Capital*, edited by Mario Levis, North-Holland, 1996, pp. 125-150, (co-authored with B. Caramanolis and N. Tuchschmid)

"Valuation of Long-Term Oil-Linked Assets", in *Stochastic Models and Option values: Applications to Resources, Environment and Investment Problems*, edited by D. Lund and B. Øksendal, North Holland, 1991, (co-authored with E. Schwartz)

WORKING PAPERS

"The Choice of Honesty: An Experiment Regarding Heterogeneous Responses to Situational Social Norms"; CEPR and SFI Working Paper Series 2015, (co-authored with Carmen Tanner and Alexander Wagner).

"Integration of Sovereign Bonds Markets: Time Variation and Maturity Effects", SFI Working Paper Series 2014 (co-authored with Ines Chaieb and Vihang Errunza).

"Investment Decisions under Ambiguity: the Case of Long-Short Equity Hedge Funds", Working Paper, University of Geneva, SFI Working Paper Series, 2013, N0. 5, (co-authored with N. Ryabkov).

"Market Belief Risk and the Cross - Section of Stock Returns", Working Paper, University of Geneva, SFI Working Paper Series 2012, currently under revision (co-authored with Songtao Wang).

"Stock Prices' Overreaction and Reversals: Firm - Specific and Market - Wide Attributes", Working Paper, University of Geneva, November 2012, (co-authored with Ramona Westermann).

"The Determinants of Bank Lobbying", Working Paper, University of Geneva, October 2011, currently revise and resubmit in the *Journal of Banking and Finance* (co-authored with M. Padovani)..

"Wild Bootstrap Inference on Price Discovery for CDS and Cash Bond Markets", NCCR FINRISK WP558, August 2009, (co-authored with S. Prohl)

"The Role of Signal Precision and Transaction Costs in Stock Option and Volatility Trading", NCCR FINRISK WP559, May2009, (co-authored with R. Gencay and Y. Xue)

"Sovereign Borrowing and Yield Spreads", Working Paper, University of Zurich, September 2005, (co-authored with S. Sundaresan)

"The Pricing of Interest Rate and Credit Risks in Equity Returns: An Empirical Cross-Country Comparison", NCCR Working Paper, IP 2, No. 183, 2004, (co-authored with A. Chambet)

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”Financial Integration and Domestic Sovereignty in European Stock Markets“, NCCR Working Paper, IP 2, No. 28, 2004, (co-authored with A. Chambet)

“Systematic Credit Risk and Asset Pricing: Empirical Study on the US Stock Market“, Working Paper, University of Zurich, January 2001, (co-authored with T. Berrada and N. Mougeot)

”The Determinants and Effects of Voluntary Versus Market Driven Disclosure Policies in Switzerland“, Working Paper, Ecole des HEC, Lausanne University*,* January 2000, (co-authored with P. Tamburini and N.S. Tuchschmid) coauthored

“L’Evaluation des Options sur Indice en Univers non Stationnaire“, *Cahier de Recherche*, Université de Genève, Département d’Economie Politique, May 1993, (co-authored with M. Chesney and H. Loubergé)

“Conception et Spécification d’une Base de Données Pour l’Analyse du Marché Obligatoire Suisse“, *Base de Données Boursières de l’Université de Genève*, University of Geneva, 1986, (co-authored with P. Dumont and J. Snella)

“Apports de Modèles d’Arbitrage à la Détermination de la Structure des Taux d’Intérêt et à la Gestion du Risque Systématique”, *Etudes et Recherches en Finance*, University of Geneva, 1985/1

“Rendement à l’Echéance, Structure des Taux et Effets du Coupon”, *Etudes et Recherches en Finance*, University of Geneva, 1983/1, (co-authored with A. Bender)
“La Théorie de l’Immunisation”, *Etudes et Recherches en Finance*, University of Geneva, 1984/2, (co-authored with P. Dumont)

“La Mesure de la Rentabilité Ex Post d’un Portefeuille Obligataire”, *Etudes et Recherches en Finance*, University of Geneva, 1983/1, (co-authored with A. Bender)

“Volatilité du Cours des Obligations et Duration”, *Etudes et Recherches en Finance*, University of Geneva, 1983/2, (co-authored with P. Dumont)

PhD DISSERTATION

"Un Modèle d'Evaluation en Univers Incertain des Obligations Assorties d'une Clause de Remboursement Anticipé: Le Cas des Titres Emis par la Confédération Helvétique", University of Geneva, July 1987

PROFESSIONAL PUBLICATIONS

"Assessing and Managing Model Risk" in *Risk and Risky Management*, edited by the National Center of Competence in Research - Financial Valuation and Risk Management, Zurich, 2003

"Grandeur et déclin de la gestion de fortune en Suisse à l'aube du 21e siècle", in *Genève 21 siècle, 21 défis, 21 talents pour les relever*, edited by G. Armleder and G. Naef, Geneva, Switzerland, 1999

"Long Term Options (LTO'S) on the Swiss Market Index and Portfolio Insurance Strategies", *SOFFEX EXTRA*, 1/94, pp. 1-20, (co-authored with S. Tolle and H. Zimmermann)

"Major Economic Impacts Associated to the Use of Index Options: An Overview", *Swiss Options and Financial Futures Exchange Information Bulletin*, Fall 1988

"La Mesure de la Performance des Fonds de Pension", *Cahier No. 5, Association Suisse des Analystes Financiers*), Geneva, November 1986, (co-authored with P. Dumont and A. Bender)

"Introduction à la Théorie de l'Immunisation", *Cahier No. 3, Association Suisse des Analystes Financiers*, Geneva, October 1985, (co-authored with P. Dumont)

"Evaluation des Obligations, Structure des Taux d'Intérêt et Risque Systématique", Cahier No. 2, *Association Suisse des Analystes Financiers*, Geneva, June 1985, (co-authored with P. Dumont)

"Aspects Récents de l'Analyse des Obligations: Volatilité, Duration et Risque Systématique", *Cahier No 1, Association Suisse des Analystes Financiers,* Geneva, June 1984, (co-authored with P. Dumont)