

## Timothy C. Johnson

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### EMPLOYMENT HISTORY

#### University of Illinois at Urbana-Champaign

Karl and Louise Schewe Professor  
Professor of Finance.  
Associate Professor of Finance.

2016-  
2011-2016.  
2006-2011.

#### London Business School

Associate Professor of Finance. (with tenure)  
Assistant Professor of Finance.

2006.  
1999-2006.

#### Massachusetts Institute of Technology

Visiting Assistant Professor of Finance.

2004-2005.

#### Caxton Corporation

Senior Trader, Global Derivatives.

1989-1994.

#### Mabon Securities, Inc.

Director, Quantitative Research.

1985-1989.

### EDUCATION

#### University of Chicago

Ph.D., Finance  
Thesis:

October 1995 - June 1999  
“Unobservable Persistence: A  
Theory of Stochastic Volatility”

#### Columbia University

M.B.A., International Business  
M.S., Operations Research

September 1983 - May 1985  
September 1983 - May 1985

#### Massachusetts Institute of Technology

S.B., Mathematics

September 1979 - May 1983

## PUBLICATIONS:

- “Bank Use of Sovereign CDS in the Eurozone Crisis: Hedging and Risk Incentives”  
with V. Acharya and Y. Gündüz  
*Journal of Financial Intermediation* (2022) forthcoming
- “Funding Liquidity and Market Liquidity in Government Bonds” with P. Deuskar  
*Journal of Banking and Finance* (2021) v129
- “Uncertainty Shocks, Aggregate Debt, and the Real Effects of Corporate Finance”  
*Critical Finance Review* (2021) forthcoming
- “Inflexibility and Stock Returns” with L. Gu and D. Hackbarth  
*Review of Financial Studies* (2018) v31 n1 pp 278-321
- “Rethinking Reversals” – lead article  
*Journal of Financial Economics* (2016) v120 n2
- “What Drives Index Option Exposure?” with M. Liang and Y. Liu  
*Review of Finance* (2018) v22 n2 pp 561-593
- “Real Options and Risk Dynamics” with D. Hackbarth  
*Review of Economic Studies* (2015) v82 n4 pp 1449-1482
- “On the Systematic Volatility of Unpriced Earnings” with J. Lee  
*Journal of Financial Economics* (2014) v114 n1
- “Inequality Risk Premia”  
*Journal of Monetary Economics* (2012) v59 n6
- “Market Liquidity and Flow Driven Risk” with P. Deuskar  
*Review of Financial Studies* (2011) v23 n4
- “Endogenous Leverage and Expected Stock Returns”  
with T. Chebonenko, I. Cunha, F. d’Almeida, and X. Spencer  
*Finance Research Letters* (2011) v8 n3
- “More Insiders, More Insider Trading: Evidence from Private Equity Buyouts”  
with V. Acharya  
*Journal of Financial Economics* (2010) v98 n3
- “Liquid Capital and Market Liquidity”  
*Economic Journal* (2009) v119 n540
- “Volume, Liquidity, and Liquidity Risk”  
*Journal of Financial Economics* (2008) v87 n2
- “Optimal Learning and New Technology Bubbles”  
*Journal of Monetary Economics* (2007) v54 n8
- “Insider Trading in Credit Derivatives” with V. Acharya  
*Journal of Financial Economics* (2007) v84 n1
- “Dynamic Liquidity in Endowment Economies”  
*Journal of Financial Economics* (2006) v80 n3
- “Unifying Underreaction Anomalies” with A. R. Jackson  
*Journal of Business* (2006) v79 n1

## PUBLICATIONS (continued):

“Forecast Dispersion and the Cross-Section of Expected Returns”

*Journal of Finance* (2004) v59 n5 – lead article

“Rational Momentum Effects”

*Journal of Finance* (2002) v57 n2 – Smith Breeden Distinguished Paper award

“Volatility, Momentum and Time-Varying Skewness in Foreign Exchange Returns”

*Journal of Business and Economic Statistics* (2002) v20 n3

“Return Dynamics when Persistence is Unobservable”

*Mathematical Finance* (2001) v11 n4

## WORKING PAPERS:

“Is Physical Climate Risk Priced? Evidence from Regional Variation in Exposure to Heat Stress” with V. Acharya, S. Sunderasan, and T. Tomunen (April 2022)

“The Private and Social Cost of Equity Maximizing Debt Policy” with P. Liu and Y. Yu (March 2022)

“Vaccine Progress, Stock Prices, and the Value of Ending the Pandemic”

with V. Acharya, S. Sunderasan, and S. Zheng (February 2022)

“Disagreement and Control Rights: Implications for Debt Policy and Aggregate Dynamics”

with S. Baker and Z. Chen (November 2021)

## MEMBERSHIPS/AFFILIATIONS

American Finance Association

## INVITED PRESENTATIONS

Aalto University, American Finance Association (2009, 2010, 2013, 2017, 2022), Auckland Finance Meetings (2017), Boston College (2015, 2010), Bundesbank, Cambridge University, Carnegie-Mellon University, Columbia University (2006, 2011), Cornell University, Dartmouth, Duke/UNC Conference, European Central Bank, European Finance Association, FSA, Finance Down Under (2022), Imperial College, Indiana University, INSEAD, Kellogg School, Lazard Brothers, Lehman Brothers, London Business School, London School of Economics, Lund University, McGill University, M.I.T. Sloan, Moodys Credit Risk Conference, NBER, Northern Finance Association, Norwegian School of Management, Oxford University, S.A.I.F., Stockholm School of Economics, Texas A&M, University of British Columbia, University of California-Berkeley, U.C.L.A., University of Illinois-Chicago, University of Georgia, University of Michigan, University of Missouri, University of Notre Dame, University of Texas-Austin, University of Toronto, University of Minnesota, University of Zurich, Utah Winter Finance Conference, Vanderbilt University, Warwick University, Western Finance Association, Wharton School.