FRANCISCO PALOMINO

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Academic Appointments

Assistant Professor of Finance. University of Michigan, 2007 - Present.

Areas of Interest

Asset pricing, fixed income, macroeconomics.

Education

Ph.D. in Financial Economics. Carnegie Mellon University, 2007.
M.S. in Financial Economics. Carnegie Mellon University, 2005.
M.S. in Computational Finance. Carnegie Mellon University, 2003.
B.S. in Industrial Engineering. Universidad de los Andes, Colombia, 1998.

Publications

"Bond Risk Premiums and Optimal Monetary Policy," Review of Economic Dynamics, forthcoming.

"Arbitrage-Free Bond Pricing with Dynamic Macroeconomic Models," with Michael Gallmeyer, Burton Hollifield, and Stanley Zin. The Federal Reserve Bank of St. Louis Review, July/August 2007.

Working Papers

"Term Premium Dynamics and the Taylor Rule," with Michael Gallmeyer, Burton Hollifield, and Stanley Zin, February 2009.

"Monetary Policy, Time-Varying Risk Premiums, and the Economic Content of Bond Yields," August 2010.

"Monetary Policy Risk and the Cross-Section of Stock Returns," with Erica X.N. Li, November 2009.

"Long Run Labor Income Risk," with Robert Dittmar, November 2010.

"A Simple Solution Method for for Dynamic Equilibrium Models with Time-Varying Volatility," with Alex Hsu, October 2011.

"Nominal Rigidities, Asset Returns and Monetary Policy," with Erica X.N. Li, November 2011.

Work in Progress

"Creative Destruction and Asset Returns," with Özge Şahin.

"Implications of Monetary Policy on the Real Yield Curve and Inflation Risk Premiums," with Alex Hsu.

Teaching Experience

Instructor: Finance (undergraduate), Capital Markets and Portfolio Analysis (undergraduate), Fixed Income (undergraduate), Topics in Macro Finance (PhD).

Honors and Awards

NTT Research Fellowship 2009.

Alexander Henderson Award for Excellence in Economic Theory, Carnegie Mellon University, 2007.

Inquire UK and Inquire Europe Best Doctoral Tutorial Paper Prize at the European Finance Association Meeting, 2006.

William Larimer Mellon Doctoral Fellowship, Carnegie Mellon, 2005 - 2006.

Banco de la República Fellowship, Banco de la República, 2002 - 2006.

Graduation with Honors. Universidad de los Andes, 1998.

Other Professional Experience

Quantitative analyst. Banco de la República, Colombia, 1999 - 2002.
Junior dealer. Banco de la República, Colombia, 1998 - 1999.

Academic Seminars and Conference Presentations

(* = presented by co-author)

"Monetary Policy Risk and the Cross-Section of Stock Returns."

North American Summer Meeting of the Econometric Society 2008, European Central Bank and Bank of England Workshop, Western Finance Association Meeting 2009*, NBER Summer Institute 2009, Banco de la República, European Finance Association Meeting 2009, Federal Reserve Bank of Kansas City, University of California Berkeley, Duke/UNC Asset Pricing Conference 2010*, Federal Reserve Bank of New York, Society of Economic Dynamics Meeting 2010.

"Monetary Policy, Time-Varying Risk Premiums, and the Economic Content of Bond Yields."

Banco de la República, Society of Economic Dynamics Meeting 2008, European Finance Association Meeting 2008, CRSP Forum 2008, Bank of Canada, UCLA, Caesarea Center Sixth Annual Academic Conference, Western Finance Association Meeting 2009.

"Term Premium Dynamics and the Taylor Rule."

Duke/UNC Asset Pricing Conference 2007, The MTS Conference on Financial Markets 2007*, Western Finance Association Meeting 2008, 2008 China International Conference in Finance, Northern Finance Association Conference 2008*, Bank of Canada Conference on Fixed Income Markets 2008*, Columbia University*, New York University*, CRSP Forum 2008, European Finance Association Meeting 2009*.

"Bond Risk Premiums and Optimal Monetary Policy."

Universitat Pompeu Fabra, European Finance Association Meeting 2006, Carnegie Mellon University, Federal Reserve Bank of New York, Lehman Brothers, The Board of Directors of the Federal Reserve System, Columbia University, University of Chicago, University of Michigan, University of Texas at Austin, Western Finance Association Meeting 2007, UCLA Conference on the Interaction Between Bond Markets and the Macro-Economy, Universidad de los Andes (School of Management and Economics Department).

Discussions

"Investor and Central Bank Uncertainty and Fear Measures Embedded in Index Options," Alexander David and Pietro Veronesi. SFS Cavalcade 2011.

"Beliefs about Inflation and the Term Structure of Interest Rates," Paul Ehling, Michael Gallmeyer, Christian Heyerdahl-Larsen and Philipp Illeditsch. Econometric Society Meeting 2011.

"The Determinants of Stock and Bond Return Comovements," Geert Bekaert, Lieven Baele and Koen Inghelbrecht. European Finance Association Meeting 2009.

"Bond Supply and Excess Bond Returns," Robin Greenwood and Dimitri Vayanos. Bank of Canada Conference on Fixed Income Markets 2008.

"Exploring the Common Factors in the Term Structure Of Credit Spreads," Seung C. Ahn, Stephan Dieckmann and Marcos Fabricio Perez. European Finance Association Meeting 2008.

"The Aggregate Demand for Treasury Debt," Arvind Krishnamurthy and Annette Vissing-Jorgensen. Mitsui Life Symposium on Financial Markets, 2008.

"When is Market Incompleteness Irrelevant for the Price of Aggregate Risk?," Hanno Lustig and Dirk Krueger. Western Finance Association Meeting 2007.

Other Publications

"The Case for Reserves Managers to Invest in Corporate Debt," with Roberto de Beaufort and Sandra Benitez. Central Banking Journal XII.4:79-87, May 2002.

Service

Committee member for the Mitsui Life Symposium on Financial Markets, 2008, 2012.

Referee: American Economic Review, Journal of Monetary Economics, Journal of Money, Credit and Banking, The Journal of Finance, The Review of Economics and Statistics, The Review of Financial Studies, Review of Finance, Revista Colombiana de Estadística.