

John Baynard Guerard, Jr.
284 Bamberg Drive
Bluffton, SC 29910
(907) 230-0871
E-Mail: JBGuerard@gmail.com

Professional Experience

- 2005-Present Scientific Advisory Board Member. Transitioned from position as former Director of Quantitative Research, McKinley Capital Management, LLC, Anchorage, Alaska, August 2005 to June 2020. Responsible for enhancing domestic and international quantitative models for stock selection and mathematical portfolio modeling and risk management. Work with the Scientific Advisory Board, whose members include Harry Markowitz, Ganlin Xu, Ian Domowitz, and Jose Menchero, on applications of applied investment research.
- 2001-2005 Member of the Virtual Research team, GlobeFlex Capital, L.P., San Diego, CA. Financial econometrics consultant. Applied and enhanced composite earnings forecast strategies.
- 1998 - 2005 Vice President and Consultant, Bryn Mawr Capital Management, Inc., Haverford, PA. Enhanced domestic equity selection models.
- 1994 - 1998 Senior Vice President and Director of Quantitative Research, Vantage Global Advisors, New York City. Developed and estimated stock selection models with particular emphasis on socially responsible investment (SRI). My research was awarded the first annual Moskowitz Prize for outstanding research in SRI. Made several presentations at the Center for Research in Security Prices (CRSP) and the Corporate Earnings Analysis seminars.
- 1990 - 1994 Vice President, Daiwa Securities Trust Co., Jersey City, NJ. Developed and estimated statistically - based composite models for Japanese, U.S., and U.K equity selection. Portfolio co - manager for Fund Academy, a Daiwa Investment Trust that outperformed its TOPIX benchmark by over 3000 basis points in its 3.5-year life. Made client meeting presentations as well as several presentations at the Berkeley Program in Finance and the CRSP seminars.
- 1988 - 1990 Senior Quantitative Analyst, Drexel Burnham Lambert, Inc. Developed quantitatively based fundamental equity selection models that outperformed the S&P 500 by over 300 basis points annually for 1989 and 1990. Interacted with clients and made several presentations at the Institutional Brokerage Estimate System Service (IBES) and Columbine Equity Research meetings.

Education

Ph.D., University of Texas at Austin, Finance, 1980.

M.S.I.M., Georgia Institute of Technology, Finance, 1977.

M.A., University of Virginia, Economics, 1976.

A.B., Duke University, Economics, 1975.

Teaching Experience

- 2020-2021 Affiliate Instructor, University of Washington, Department of Applied Mathematics, Computational Finance and Risk Management Program. Seattle, WA. Teaching courses in Decision Science and Financial Ethics.
- Spring Term
2015-2016 Visiting Faculty. Shanghai University International School of Business and Economics. Taught Asset Pricing and Investments courses.
- 2001-2005 Faculty and Adjunct Faculty. Graduate School of Management. Rutgers University. Taught Advanced Financial Management, Asset Pricing, and Investments courses.
- 2003-2005 Faculty. International University of Monaco. Monaco. Taught MBA Advanced Corporate Finance and Risk Management courses.
- 1981-1987 Assistant Professor of Finance, Lehigh University, Bethlehem, PA. Taught MBA Investments and Corporate Finance courses. Undergraduate courses included Investments, Cases in Corporate Finance, and Speculative Markets.
- 1985, 1986, 1998 Adjunct Associate Professor of Finance, New York University. Taught MBA and undergraduate Investments courses.
- 1979-1981 Assistant Professor of Commerce at the McIntire School of Commerce, University of Virginia. Taught Corporate Finance, Investments, Cases in Corporate Finance, and Statistics courses.

Executive Teaching Experience

- 2011-2013, 2018 Taught two-day courses, “Quantitative Corporate Finance”, for the Georgia Institute of Technology Quantitative and Computation Finance program and the Rutgers MS Program in Financial Risk Management, based on the author’s Springer book of the same title.
- 2001-2002 Taught six-week course, “R&D Management and Corporate Financial Policy “, for Executive Masters in Technology Management (EMTM), University of Pennsylvania. The course used the author’s Wiley book of the same title. Also taught Corporation Finance EMTM course.

Selected Peer-Reviewed Publications

“A Further Analysis of Robust Regression Modeling and Data Mining Corrections Testing in Global Stocks”, *Annals of Operations Research* (2021) 303:175–195 (with Harry Markowitz and Ganlin Xu).

“Automatic Time Series Modelling and Forecasting: A Replication Case Study of Forecasting Real GDP, the Unemployment Rate, and the Impact of Leading Economic Indicators”, *Cogent Economics and Finance*, 2020 (with Dimitrios Thomakos and Foteini Kyriazi).

“Adaptive Learning Forecasting with Applications in Forecasting Agricultural Prices”, *The International Journal of Forecasting* 35 (2019), 1356-1369, (with Foteini Kyriazi and Dimitrios Thomakos)

“Earnings Forecasts and Revisions, Price Momentum, and Fundamental Data: Further Explorations in Financial Anomalies”, in C.F. Lee, Editor, *Handbook of Financial Econometrics*. Singapore: World Scientific Publishers, 2021 (with Andrew Mark).

“Global Portfolio Construction with Emphasis on Conflicting Strategies to Maximize Stockholder Wealth”, *Annals of Operations Research* 267 (2018), 203-219 (with Harry Markowitz, Ganlin Xu, and Ziwei Wang).

“Returns, Risk, Portfolio Selection, and Evaluation”, in J. Guerard, Editor, *Portfolio Construction, Measurement, and Efficiency: Essays in Honor of Jack Treynor*, New York: Springer, 2017 (with Phoebus Dhrymes).

“Investing in Global Markets: Big Data and Applications of Robust Regression”, *Frontiers in Applied Mathematics and Statistics* 1 (February 2016), 1-16.

“Earnings Forecasting in a Global Stock Selection Model and Efficient Portfolio Construction and Management”, *International Journal of Forecasting* 31 (2015), 550 – 560 (with Harry Markowitz and Ganlin Xu).

“Comparing the Effectiveness of Traditional vs. Mechanical Identification Methods in Post-Sample Forecasting for a Macroeconomic Granger-Causality Analysis”, *International Journal of Forecasting* 31 (2015), 488 – 500 (with H. Ye and Richard Ashley).

“The Role of Effective Corporate Decisions in the Creation of Efficient Portfolios”, *IBM Journal of Research and Development*, 58 (July / August 2014), 6.1 - 6.11 (with Harry Markowitz and Ganlin Xu).

“Efficient Global Portfolios: Big Data and Investment Universes”, *IBM Journal of Research and Development*, 57 (September / October 2013), 11.1 -11.11 (with S. Rachev and B. Shao).

“Global Earnings Forecasting Efficiency”, in J. Kensinger, Ed., *Research in Finance* 28, 2012.

“Harry Markowitz”, in *Operations Research Profiles*, S. Gass, Editor, New York: Springer, 2011.

“Methodologies for Isolating and Assessing the Portfolio Performance Potential of Stock Returns Forecast Models with an Illustration”, in Guerard, Editor, *The Handbook of Portfolio Construction: Contemporary Applications of Markowitz Techniques*, New York: Springer, 2010 (with Bernell Stone).

“Stock-Selection Modeling and Data Mining Corrections: Long Only versus 130/30 Models”. *The Handbook of Portfolio Construction: Contemporary Applications of Markowitz Techniques*. New York: Springer, 2010.

“The Corporate Sector as a Net Exporter of Funds: Additional Evidence”, in *Variations in Economic Analysis*, J. Aronson, H. Parmet, and R. Thornton, Editors, New York: Springer, 2010.

“The Forecasting Effectiveness of the U.S. Leading Economic Indicators: Further Evidence and Initial Results of G7 Countries”, in P. Dua, Ed., *Business Cycles and Economic Growth*, Oxford University Press, 2004, 174-187.

“Naïve, ARIMA, Transfer Function and VAR Models: A Comparison of Forecasting Efficiency”, *International Journal of Forecasting* 20 (2004), 53-68 (with Dimitrios Thomakos).

“The Optimization of Efficient Portfolios: The Case for a Quadratic R&D Term”, *Research in Finance* 20 (2003), 213-247 (with Andrew Mark).

“A Note on the Forecasting Efficiency of the Leading Economic Indicators”, *Indian Economic Review* 36 (2001), 251-268. A special issue on business cycles to honor G. Moore.

“Forecasting Earnings Composite Variables, Financial Anomalies, and Efficient Japanese and U.S. Portfolios”, *International Journal of Forecasting* 14 (1998), 96-101 (with John Blin and Steve Bender).

“Is There a Cost to Being Socially Responsible in Investing?” *Journal of Forecasting* 16 (1997), 475-490. Winner of the first annual Moskowitz Award for research in SRI.

“The Role of Fundamental Data and Analysts' Earnings Breadth, Forecasts, and Revisions in the Creation of Efficient Portfolios”, *Research in Finance* 15 (1997), 69-91 (with Mustafa Gultekin and Bernell Stone).

“Earnings Forecasts, Revisions, and Momentum in the Estimation of Efficient Market-Neutral Japanese and U.S. Portfolios”, *Research in Finance* 15 (1997), 93-113 (with John Blin and Steve Bender).

“The Development and Estimation of Efficient Portfolios in Japan and the U.S. with Particular Emphasis on Sales and Earnings Forecasting”, *Annals of Operations Research* 33 (1993), 91-108 (with Makoto Takano and Yuji Yamane).

“Composite Forecasting of Annual Corporate Earnings”, in A. Chen, Ed., *Research in Finance* 10 (1992), 205-230 (with Bernell Stone).

“The Integration of Research and Development into the Firm Decision Process”, in D. Kocaoglu, Ed., *Management of R&D and Engineering*, Amsterdam: North-Holland Publishing Company (1992), 163-184 (with George McCabe).

“Goal Setting for Effective Corporate Planning”, *Management Science* 36 (1990), 359-367 (with Bernell Stone and Alden Bean).

"A Further Look at the Interdependencies of Financial Decisions", in A. Chen, Ed., *Research in Finance* 8 (1990), 149-178 (with George McCabe).

"Econometric GNP Forecasts: Incremental Information Relative to Naive Extrapolation", *International Journal of Forecasting* 5 (1989), 417-426 (with Robert Clemen).

"Collinearity and Latent Root Regression for Combining GNP Forecasts", *Journal of Forecasting* 8 (1989), 231-238 (with Robert Clemen).

"Composite Model Building of Foreign Exchange Rates", *Journal of Forecasting* 8 (1989).

"R&D Management and Corporate Financial Policy", *Management Science* 33 (1987), 1419-1427 (with Alden Bean and Steve Andrews).

"Strategic Planning and the Investment-Financing Behaviour of Major Industrial Companies", *Journal of the Operational Research Society*, 38 (1987), 1039-1050 (with Bernell Stone).

"Strategic Planning and the Problem of Capital Budgeting in a Steel Company: A Multi-Criteria Approach", in T. Naylor and C. Thomas, Eds., *Optimization Models for Strategic Planning*, Amsterdam: North-Holland, 1984 (with K.D. Lawrence).

"Mergers, Stock Prices, and Industrial Production: An Empirical Test of the Nelson Hypothesis", in O. Anderson, Ed., *Time Series Analysis: Theory and Practice* 7, Amsterdam: North-Holland Publishing Company, 1985.

"The Role of Employment and Capital Expenditures in the Merger and Acquisition Process", in M. Keenan and L. White, Eds., *Mergers and Acquisitions: Current Problems in Perspective*, Lexington; Lexington Books, 1982.

Selected Practitioner-Oriented Publications

"Financial Anomalies in Portfolio Construction and Management", *Journal of Portfolio Management* May 2021, 47 (6) 51-64 (with Harry Markowitz, Ganlin Xu, and Bijan Beheshti).

"The Risks You Know—and Those You Don't," *Wilmott*, March 2021, issue 112, 16–37 (with John Blin and Andrew Mark).

"Investing in Global Equity Markets", *Wilmott Magazine*, March 2020, issue 106, 56-75 (with Shijie Deng, Robert Gillam, Harry Markowitz, and Ganlin Xu).

"Warning: Socially Responsible Investing Need Not be Harmful to your Sharpe Ratios and Information Ratios", *Journal of Investing*, 2020, 29 (2) 110-127 (with Christopher Geczy and Mikhail Samonov).

"The Existence and Persistence of Financial Anomalies: What have You Done for Me Lately? *Financial Planning Review* 1 (with Harry Markowitz),

“Data Mining Corrections Testing in Chinese Stocks”, *Interfaces* 48 (2018), 108-120 (with Robert Gillam, Harry Markowitz, Ganlin Xu, Shijie Deng, and Ziwei Wang).

“Active Quant: Applied Investment Analysis in Emerging Markets”, *Journal of Investing* 26 (2017), 138-152 (with Sundaram Chettiappan).

"The Development of Mean-Variance Efficient Portfolios in Japan and the U.S.:25 Years After: or, What has Driven Stock Selection Models in Japan and the United States", *Journal of Investing* 26 (2017), 70-94.

“Is US Insider Trading Still Relevant? A Quantitative Portfolio Approach”, *Journal of Investment Management* 13 (2015), 33-56 (with C. Bettis and D. McAuley).

“Portfolio Construction and Management in the Barra Aegis System: A Case Study using the USER Data”, *Journal of Investing* 23 (2014), 111 -120 (with D. Miller and G. Xu).

“Global Stock Selection Modeling and Efficient Portfolio Construction and Management”, *Journal of Investing* 22 (2013), 121 -128 (with Harry Markowitz and Ganlin Xu).

“Investing with Momentum: The Past, Present, and Future”, *Journal of Investing* 21 (2012), 68-80 (with Mustafa Gultekin and GanLin Xu).

“Further Analysis of Portfolio Construction and the USER Data”, *Journal of Investing* 21 (2012), 81-88 (with Manish Kumar and Eli Krauklis).

“Quantitative Stock Selection in Japan and the US: Some Past and Current Issues”, *Journal of Investing*, 15 (2006), 43-49.

"Is There a Cost to Being Socially Responsible in Investing?", *Journal of Investing* 6 (1997), 11-18.

“Earnings Revisions in the Estimation of Efficient Market-Neutral Japanese Portfolios”, *Journal of Investing* 5 (1996), with J. Blin and S. Bender.

“A Comparison of Some Aspects of the U.S. and Japanese Equity Markets", *Japan & the World Economy* 5 (1993), 3-26 (with Marion Bloch, Harry Markowitz, Peter Todd, and Gan-Lin Xu).

"The Development of Mean-Variance Efficient Portfolios in Japan and the U.S.", *Journal of Investing* 1 (1992), 48-54 (with Makato Takano).

"Composite Modeling and Security Selection", *Security Analysts Journal of Japan* 29 (1991), 1-13 (with Makoto Takano).

Editorial Affiliations

Associate Editor of the *International Journal of Forecasting*, an Elsevier journal published with the International Institute of Forecasting, *Journal of Investing*, published by Portfolio Management Research,

Review of Pacific Basin Financial Markets and Policies (RPBFMP), and *The Journal of Impact and ESG Investing*, published by Portfolio Management Research.

Research Affiliations

An industry affiliate of the Georgia Tech Quantitative and Computational Finance (QCF) FinTech Lab.

Research in Progress

“ESG and Expected Returns on Equities: The Case of Environmental Ratings” (with Christopher Geczy) presented at The Wharton School, April 2021. Wharton Pension Research Council Working Papers. 713. https://repository.upenn.edu/prc_papers/713.

“The Existence and Persistence of Financial Anomalies” (with Harry Markowitz), presented at the Q-Group meeting, La Jolla, CA, October 2019.

“Robust Regression and Models of AI and Machine Learning in Applied Investment Research” (with Shijie Deng).

“Investing in Global and Emerging Markets: An Application of Integer Programming”, presented at the 35th International Symposium on Forecasting, Rotterdam, June 2014 (with Harry Markowitz, Ganlin Xu, and Sundaram Chettiappan).

“Post-Sample Granger Causality Analysis: A New (Relatively) Large-Scale Exemplar”, to be presented at the OxMetrics Users’ Conference, Washington, D.C., March 2014 (with Haichun Ye and Richard Ashley).

“Additional Evidence on the Risk and Return of Common Stocks”, with P. Dhrymes, presented at the World Congress of Finance, July 2013, Cyprus and the FactSet Research Seminar, New Orleans, November 2013.

“Mergers, the Leading Economic Indicators, and Stock Prices: Additional Evidence”, presented at the OxMetrics Users’ Conference, Washington, D.C., March 2012.

“A Comparison of United States and Japanese Equity Models: A Further Examination”, presented at the CRSP Forum, The University of Chicago, Chicago, November 4-5, 2010.

Books/Monographs

Financial Forecasting for the Chinese Stock Market, Peking: Peking University Press, in Press (with Dimitrios Thomakos).

Business Cycles in the United States: One Hundred Years of Research, and the Development and Estimation of the Leading Economic Indicator, Palgrave, in Press.

Handbook of Applied Investment Research, Singapore: World Scientific Publishing Company, 2020 (with W.T. Ziemba).

Portfolio and Investment Analysis with SAS: Financial Modeling Techniques for Optimization, SAS Press, 2019 (with G. Xu and Z. Wang).

Portfolio Construction, Measurement, and Efficiency: Essays in Honor of Jack Treynor, Editor, New York: Springer, 2017.

An Introduction to Financial Forecasting in Investment Analysis, New York: Springer, 2013.

The Handbook of Portfolio Construction: Contemporary Applications of Markowitz Techniques, Editor. New York: Springer, 2010.

Quantitative Corporation Finance, New York: Springer, 2007 (with Eli Schwartz). Third Edition in Press.

Corporate Financial Policy and R&D Management, New York: John Wiley & Sons, 2005. Second Edition.

Handbook of Financial Decision Making, Chicago: Probus Publishing Company, 1989 (with H. T. Vaught).

Advances in Mathematic Programming and Financial Planning, Editor, Greenwich, CT: JAI Press, 1987 (with K. Lawrence and G. Reeves).