

FRIC publications in top tier journals

In 2019, FRIC researchers had 6 papers published in the top three finance journals: 3 in *Journal of Finance*, 2 in *Journal of Financial Economics* and 1 in *The Review of Financial Studies*. In addition, we had 4 papers accepted for publication in 2020: 1 in *Journal of Finance* and 3 in *Journal of Financial Economics*. In addition, we have highly topical research appearing in solid field journals.

International research presentations

FRIC members were invited to present their work at 78 occasions at different institutions, and 11 of these were at central banks. We had 6 FRIC papers presented at the most prestigious finance conferences: 4 at the American Finance Association Meeting (AFA), and 2 at the European Finance Association meeting (EFA) in 2019. One of the presentations at the AFA was by Niels Gormsen and Christian Skov Jensen – two of the center's former PhD students, who both finished with excellent placements as mentioned in last year's report.

FRIC'19 Conference on Financial Frictions

The FRIC'19 Conference had as its theme 'illiquidity, volatility and irrationality in financial markets' and keynote speakers were: Richard Cantor (Moody's Corporation), Peter DeMarzo (Stanford Graduate School of Business), Gary Gorton (Yale School of Management), and Ralph Koijen (University of Chicago Booth). The *FRIC'19 Conference on Financial Frictions* had more than 140 registered participants.

AQR Top Finance Graduate Award 2019

FRIC organized the annual *AQR Top Finance Graduate Award at CBS*, and 60 participants attended the event. The event is sponsored by the global investment management firm AQR and featured research presentations by six of the most promising PhD graduates from the academic job market in 2019. The winners are selected by an independent selection committee whose members are from Columbia, Chicago, Harvard, Stanford, Berkeley, London, Wharton

and Yale and the event took place at The Royal Danish Academy of Sciences and Letters.

Other events

The FRIC/FI seminar series brought a number of high-profile speakers to Copenhagen again this year and we organized an internal retreat for all center members.

Grants, best paper awards and distinctions

Assistant professor Paul Whelan received a research grant of DKK 1.67 mill. from The Danish Council for Independent Research.

FRIC associate member, Annette Vissing-Jørgensen, was the recipient of the Swiss Finance Institute Outstanding Paper Award 2019, and she was the 17th Karl Borch Lecturer at NHH, Bergen. Another associate member, Christian Wagner, Vienna University (WU), won a *Journal of Finance* Dimensional Fund Advisors Prize 2019 (given January 2020).

Professor Lasse Heje Pedersen also won a prize at the AFA Conference the year before: the *Journal of Finance's* Brattle Distinguished Paper Prize 2018 (given January 2019). Lasse Heje Pedersen's paper 'Buffet's Alpha' won the *Financial Analyst Journal's* distinguished Graham and Dodd Top Award 2018. Lasse Heje Pedersen's article 'Carry', co-authored with Tobias Moskowitz and Evert Vrugt, won the second prize of the Fama-DFA Prizes for the Best Papers Published in the *Journal of Financial Economics* in the Areas of Capital Markets and Asset Pricing in 2018. And finally, Lasse Heje Pedersen was featured on the Highly Cited Researchers List for 2019 for the fifth time (also in 2015, 2016, 2017 and 2018).

FRIC's Center Coordinator Julie de Molade received one of the two DSEB Administration Awards 2019 at CBS

Recruiting and placements

In 2019, we hired 2 new PhD students and 1 new full-time research assistant. Our PhD candidate Thomas Kjær Poulsen joined BI Oslo as assistant professor.

About Center for Financial Frictions (FRIC)

FRIC focuses on how prices and markets are affected by financial frictions such as transactions costs, leverage constraints, counterparty credit risk, illiquidity and asymmetric information. Currently, the CBS members of FRIC count 4 professors, 2 associate professors, 5 assistant professors/post docs and 9 PhD students. In addition, there are 4 external professors from four different universities associated with FRIC. The Center has 1 center coordinator, 1 research assistant and 5 student assistants.