

Taeuk Seo

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Education

University of Michigan, Ross School of Business <i>PhD in Finance</i>	<i>Ann Arbor, MI USA</i> <i>Expected 2024</i>
Seoul National University, Business School <i>MS in Finance</i>	<i>Seoul, South Korea</i> <i>2016</i>
Seoul National University, Business School <i>BBA and BA in Economics, Summa Cum Laude</i>	<i>Seoul, South Korea</i> <i>2013</i>

Employment

Université Laval <i>Assistant Professor of Finance</i>	<i>Starting August 2024</i> <i>Québec City, QC Canada</i>
Bank of Korea <i>Junior Economist</i>	<i>2013 – 2014</i> <i>Seoul, South Korea</i>

Research Interests

Empirical and Theoretical Asset pricing, Macro-Finance

Papers

Two Persistent Trees: Advertising and the Cross Section of Equity Returns.

Abstract: How does a firm's advertising policy affect its risk, and its expected return? I propose that the relative size of advertising to capital expenditures is a key statistic that summarizes firms' exposures to their investment opportunities. I find firms that invest more in advertising earn about 4.39% more risk-adjusted returns per year compared to their capital expenditure-intensive counterparts. I then provide a theoretical explanation with a production-based asset pricing model where advertising and physical capital differ in their reversibility. When the model is simulated using parameters consistent with firms' advertising and capital expenditures, it is able to explain 23% of the portfolio return.

High Discounts and Low Fundamental Surplus: An Equivalence Result for Unemployment Fluctuations.

with Indrajit Mitra and Yu Xu
forthcoming at Management Science.

Abstract: We establish an observational equivalence between unemployment fluctuations of the Diamond-Mortensen-Pissarides search economy augmented with time-varying risk premia, and an otherwise identical economy without risk-premia but with a time-varying value of leisure. This equivalence holds for general risk-premia processes and allows us to view the effects of different models of risk-premia as operating through a single channel—one that alters the value of leisure. We derive simple expressions for semi-elasticities of labor market tightness with respect to productivity and risk premium shocks. We show wages can be used to detect misspecification in the discount rate process used in hiring decisions.

COVID-19 and Stay-At-Home Orders: Identifying Event Study Designs with Imperfect Testing.
with Jaedo Choi, Elird Haxhiu, Thomas Helgerman and Nishaad Rao
Covid Economics (2021) 76(4).

Abstract: This paper estimates the dynamic effect of Stay-At-Home (SAH) orders on the transmission of COVID-19 in the United States. Identification in this setting is challenging due to differences between real and reported case data given the imperfect testing environment, as well as the clearly non-random adoption of treatment. We extend a Susceptible-Infected-Recovered (SIR) model from Epidemiology to account for endogenous testing at the county level, and exploit this additional structure to recover identification. With the inclusion of model-derived sufficient statistics and fixed effects, SAH orders have a large and sustained negative effect on the growth of cases under plausible assumptions about the progression of testing. Point estimates range from a 44% to 54% reduction in the growth rate of cases one month after a SAH order. We conclude with a discussion on extending the methodology to later phases of the pandemic.

Honors and Awards

Allan D. Gilmour Doctoral Fellowship	2019 – 2021
Thomas W. Leabo Memorial Award for Teaching Excellence	2019
William Rodkey Fellowship	2016 – 2019
Travel Grant, American Finance Association	January 2018
PhD Student Grant, Macro-Finance Society	November 2017
Overseas Doctoral Fellowship, Korea Foundation for Advanced Studies	2016 – 2021
Undergraduate Scholarship, Korea Foundation for Advanced Studies	2009 – 2012
Financial Awards, Seoul National University	2009, 2011

Referee

Journal of Financial Economics

Teaching Experience

FIN 302: Making Financial Decisions	Spring 2023
An introductory class for Business Minor students. Synchronous online class.	
BA 200: Businesses and Leaders	Fall 2022
A prerequisite class for BBA sophomores on leadership and business.	
FIN 317: Corporate Financial Decisions	Spring 2020
An advanced corporate finance elective course for BBA students.	

Technical Skills

Statistical Software: MATLAB, SAS, Stata
Programming: Julia, Python, R, SQL

References

Uday Rajan

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of Business Administration
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Shane Miller

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Indrajit Mitra

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