

Thierry Foucault
Professor of Finance
HEC, Paris
(September, 2007)

Affiliation

HEC School of Management, Paris

Phone : (33) 1 39 67 95 69

Fax : (33) 1 39 67 70 85

E.mail : foucault@hec.fr

Web: <http://studies.hec.fr/web/foucault>

Address

1 rue de la Libération
78351 Jouy en Josas CEDEX
France

EDUCATION.

1994. HEC School of Management , Ph.D. in Finance, *Summa Cum Laude*.
Title of the Dissertation: «Price Formation and Order Placement
Strategies in Financial Markets».
Ph.D Adviser : Bruno Biais.

1990. MA in Finance and Economics, University of Paris-Dauphine.

2000. Habilitation à Diriger des Recherches

ACADEMIC APPOINTMENTS.

Sep 2007-This day	Professor of Finance, HEC, School of Management.
Apr-July 2007	Visiting at Said Business School (April-July) (Associate Fellow)
2001-2007.	Associate Professor, HEC, School of Management.
1998-2000.	Assistant Professor, HEC, School of Management.
Fall 1997-1998.	Visiting Assistant Professor, GSIA, Carnegie Mellon University (Pittsburgh, U.S.A)
Fall 1994-Spring 1997.	Assistant Professor, Universitat Pompeu Fabra (Barcelona, Spain).

RESEARCH FIELDS.

Information and Financial Markets, Microstructure of Financial Markets, Financial Economics, Industrial Organization.

COURSES TAUGHT

Financial Economics (Undergraduate and Graduate)
 Corporate Finance (MBA)
 Market Microstructure (Graduate and Doctoral HEC , Central Bankers Courses in Studienzentrums Gerzensee (2002-2007), Tinbergen Institute (2006), Graduate School of Finance (2006))
 Market design and trading (Graduate)

AWARDS AND GRANTS.

- 2006. Research Prize of the HEC Foundation.
- 2006. Grant: Paris Europlace, for a research on market liquidity (in collaboration with Albert Menkveld, Vrije Universiteit).
- 2005. Best Young French Researcher Award in Finance, granted by the scientific committee of the Europlace Institute of Finance.
- 2005. Grant: Morgan Stanley Market Microstructure Grant for a research on the market microstructure of the option market, in collaboration with P.Sandas (Virginia University) and R.Falhenbach (Ohio State University).
- 2004. Grant: London Stock Exchange : grant for a research on competition between markets in collaboration with Albert J. Menkveld (Vrije Universiteit).
- 1999. Grant : Nachmias Fund (for a research on the design of Exchanges) in collaboration with E. Kandel (Hebrew University of Jerusalem).
- 1998. Grant: Fondation HEC (for a research on trading costs measurement in the Paris Bourse).
- 1996. Laureate of the «Prix de thèse de La Société des Bourses Françaises» for my doctoral dissertation.
- 1991. Prize of «La Société des Bourses Françaises» (SBF) for my MA thesis on transaction costs and information revelation in financial markets.

PUBLISHED/ACCEPTED ARTICLES IN REFEREED JOURNALS.

- Foucault, Thierry and Thomas, Gehrig, «*Stock Price Informativeness, Cross-Listings and Investment Decisions* », accepted for publication in *Journal of Financial Economics*.
- Foucault, Thierry and Albert J. Menkveld, «*Competition for Order Flow and Smart Order Routing Systems*», accepted for publication in *Journal of Finance* (forthcoming Feb. 2008).

- Foucault Thierry, Sophie Moinas and Erik Theissen «Does Anonymity Matter in Electronic Limit Order Markets? », *Review of Financial Studies*, 20, 1707-1747; Winter 2007.
- Desgranges Gabriel and Thierry Foucault, «Reputation-Based Pricing and Price Improvements» with G. Desgranges (Thema), *Journal of Economics and Business*, 57, 493-527, 2005.
- Foucault, Thierry, Ohad Kadan and Eugene Kandel, «Limit Order Book as a Market for Liquidity», *Review of Financial Studies*, 18, 1171-1217; Winter 2005.
- Foucault, Thierry and Christine Parlour, «Competition for Listings», *RAND Journal of Economics*, 35, 329-355; Summer 2004.
- Foucault, Thierry and Laurence Lescourret, «Information Sharing, Liquidity and Transaction Costs in Floor-Based Trading Systems», *Finance*, December 2003.
- Foucault Thierry, Ailsa Roëll and Patrik Sandas, «Market Making With Costly Monitoring: An Analysis of SOES Trading», *Review of Financial Studies*, 16, 345-384; 2003.
- Foucault, Thierry and Marianne Demarchi «Equity trading systems in Europe», *Annales d'Economie et Statistiques*, 60, 74-115; October-December 2000.
- Cordella, Tito and Thierry Foucault, «Minimum Price Variations, Time Priority and Quote Dynamics», *Journal of Financial Intermediation*, 8, 141-173; July 1999.
- Foucault Thierry, «Order Flow Composition and Trading Costs in a Dynamic Limit Order Market», *Journal of Financial Markets*, 2, 99-134; May 1999.
- Biais, Bruno, Thierry Foucault and François Salanié, «Floors, Dealer Markets and Limit Order Markets», *Journal of Financial Markets*, 1, 523-584; October 1998.
- Biais, Bruno and Thierry Foucault, «Asymétries d'information et Marchés Financiers : une synthèse de la littérature récente», *l'Actualité Economique*, vol 69, March 1993.

PROCEEDINGS AND BOOK CHAPTERS.

- Foucault Thierry, «Consolidation et Fragmentation des Marchés Financiers: Coûts et Bénéfices », in « Consolidation Mondiale des Bourses », *Rapport du Conseil d'Analyse Economique et Social*, 67, 103-128 ; La Documentation Française; August 2007.
- Foucault Thierry, «Liquidity, Cost of Capital and the Organization of Trading in Financial Markets», *Revue d'Economie Financière*, 82, 113-123; December 2005.
- Foucault Thierry and Gilles Laurent «Enseignement de la gestion : l'apport de la recherche », in « L'Art du Management », Dunod, 2005.
- Foucault Thierry, «Best Execution and Competition between Trading Venues» in *Best Execution, Executing Transactions in Securities Markets on Behalf of Investors*, European Asset Management Association, June 2002.

- Biais, Bruno, Thierry Foucault and Pierre Hillion, «Microstructure des Marchés : Institutions, Modèles et Tests Empiriques», *Presses Universitaires de France* (Publisher), May 1997, 264 pages.

WORKING PAPERS (available at <http://studies.hec.fr/web/foucault>) and WORK IN PROGRESS.

- “*Insiders-Outsiders, Market Transparency and the Value of the Ticker*” with Giovanni Cespa, work in progress.
- “*Chaining up noise traders*” with David Sraer and David Thesmar, work in progress.
- “*Chicken and Eggs: liquidity externalities in limit order markets*” with Albert J. Menkveld, work in progress
- «*Linkage principle, multidimensional signals and blind auctions*», with Stefano Lovo, Working paper, HEC, n°785.

PRESENTATIONS IN ACADEMIC CONFERENCES/INVITED SEMINARS.

- 2007:** American Finance Association Meetings in Chicago, AMF-SEC conference on market microstructure, Brown bag seminar Saïd Business School (Oxford), University of Toulouse.
- 2006:** American Finance Association Meetings in Boston, European Finance Association Meetings in Zurich, Dauphine Workshop on market quality (co-author presented), Autorité des Marchés Financiers (co-author presented), Cass University, University of Salerno, Lancaster University, Conference on Market Microstructure of Financial and Money Markets (Banque de France, June 7-8 2006), Tinbergen Institute.
- 2005:** European Finance Association Meetings in Moscow (co-author presented), Universitat Pompeu Fabra, International Conference on New Financial market structures (HEC Montreal), Autorité des Marchés Financiers, University of Virginia (Mc Intire School of Commerce), SEC, NYSE, Workshop on recent developments in the microstructure of Financial markets (University of Aix-Marseille), International Conference on Finance (University of Copenhagen, co-author presented), Paris XII University, French Finance Association Meetings.
- 2004:** 3rd Finance Oxford Symposium; Invited speaker, Summer School on Market Microstructure, Konstanz; Norwegian School of Management (BI).
- 2003:** American Finance Association Meetings in Washington, European Finance Association Meetings in Glasgow (co-author presented), CORE, Market Microstructure Workshop at INSEAD, Paris IX University, Western Finance Association Meetings 2003 (co-author presented), HEC Montreal, Toulouse University.

- 2002:** Review of Financial Studies Conference on Security Prices in Imperfect Markets at Northwestern, Sixth Toulouse Finance Workshop, Amsterdam University, Rotterdam University, Tilburg University, Séminaire Bachelier, Paris XII, HEC.
- 2001:** Western Finance Association Meetings, Tucson, Symposium in Financial Markets, Gerzensee, INSEAD, Lausanne University, LSE, Séminaire Roy, Birbeck College.
- 2000:** American Finance Association Meetings in Boston, CEPR/CSEF/NYSE/TMR Conference on the design of primary equity Markets, The Future of Exchanges, London, Financial Systems and Institutions in the 3rd Millenium, Jerusalem, Journal of Financial Intermediation, Symposium, Boston, European Finance Association, London, Oxford, Stockholm University, Université de Rennes, University of Freiburg, Bocconi, University of Frankfurt, Katholieke Universiteit Leuven.
- 1999:** Western Finance Association Meetings in Santa Monica, INSEAD, Catholic University of Leuven, ESSEC, Séminaire "Modélisation en Finance, «Séminaire Poincaré».
- 1998:** Western Finance Association Meetings in Monterey, Annual Symposium of the Journal of Financial Intermediation, High Frequency Data and Market Microstructure Conference, Global equity Markets NYSE-SBF joint conference in Paris, HEC School of Management, University of British Columbia, Princeton, GSIA, Carnegie Mellon University.
- 1997:** Western Finance Association Meetings in San Diego, The CEPR Summer Meetings in Gerzensee, 5th Indiana University Symposium in Market Microstructure, NBER workshop in Market Microstructure, London Business School, Toulouse University, Tilburg University.
- 1996:** European Finance Association Meetings in Oslo, CEPR Workshop in Market Microstructure in Barcelona, HEC School of Management, Universitat Pompeu Fabra.

PROFESSIONAL SERVICE and ACADEMIC RESPONSIBILITY.

- *Review of Finance*-Associate Editor 2005-present.
- *Finance*-Associate Editor 2006-Present.
- Research Fellow of the CEPR
- Senior Research Fellow, Europlace Institute of Finance (2003-present).
- Associate Dean for Research of the HEC School of Management, Paris (sep. 2003-sep. 2005)
- Head of GREGHEC, the CNRS research lab of HEC (jan.2004-dec 2005)
- Member of Scientific Committees of AMF (« Autorité des Marchés Financiers »-French SEC) 2004-present.
- Member of Scientific Committee of AFG (« Association Française de Gestion financière »)-2004-present.
- Member of Scientific Committee of the Banque de France research Foundation
- French Finance Association (AFFI), Member of the board, 2004-present.
- Member of the scientific committee for the workshop on the "Microstructure of Equity and Currency markets" organized by Norges Bank and the Norwegian School of Management, (September 2005) and Central bank of Canada (October, 2006)
- Western Finance Association Program Committee (1999-2002).

- European Finance Association Scientific Committee (1997,1999, 2000,2001,2003, 2004, 2005, 2006, 2007).
- EFMA Meetings Scientific Committee (2007)
- German Finance Association Meetings, Scientific Committee (2007)
- French Finance Association Finance Conference Scientific Committee (1997,1998, 2001,2003, 2004, 2005, 2006).
- Best paper award committee of “*Finance*” (2001 and 2005). FMA 2002 Competitive Paper Award committee in the area of Financial Institutions.
- Member of the Scientific Committee of the conference on the interactions of market and credit risk organized by the Bank for International Settlement (BIS, 2007)

REFEREEING.

- | | |
|---|--|
| -The Review of Financial Studies | - The Journal of Empirical Finance |
| -The Journal of Finance | - The Economics Journal |
| - American Economic Review | - Annals of Operations Research |
| - The Review of Economic Studies | - The European Economics Review |
| - The Journal of Financial Intermediation | - The Journal of Financial Markets |
| - The Review of Finance | - International Review of Finance |
| - Annales d’Economie et Statistiques | - Finance |
| - La Revue Economique, | - L'Actualité Economique |
| - Journal of the European Economic Association (JEEA) | - Journal of Financial and Quantitative Analysis |
| - Journal of Economic Dynamics and Control | Journal of Business Finance and Accounting |
| - European Financial Management | - Recherches Economiques de Louvain |
| - Quantitative Finance | - ANR |

MISCELLANEOUS.

- **External Examiner for Ph.D Dissertation :** C. Manzano (Universitat Autònoma de Barcelona), S. MeBner (Universitat Autònoma de Barcelona), M. Demarchi (Aix-Marseille), C. Boyer (EHESS), R. Calcagno (Université de Louvain), K. Bennour (Toulouse University), F. Pannecièrre (HEC), S. Vandelannoite (Paris I), W. Abdmoulah (Paris XII), C. Emonet-Fournier (Université de Paris-Dauphine), M. Hautière (Toulouse University), M. Dia (Toulouse University), Randi Naes (Norwegian School of Economics, NHH), Johannes Skjeltorp (Norwegian School of Management, BI), Lassenius Kramp (Institute of Economics, Copenhagen), S. Jimenez (Université de Grenoble), L.Guermas (Université de Paris Dauphine), M. Wyart (Ecole Polytechnique), C. Hua (Université de Paris Dauphine), W. Wang (Toulouse School of Economics), S. Buti (Toulouse School of Economics).
- **Ph. D Dissertation Supervision:** L. Lescourret (Doctorat HEC, defended in December 2003, placement : ESSEC), S. Moinas (Doctorat HEC, defended in December 2005, placement: Toulouse University), Delphine Sabourin (Dauphine).
- **Discussant in Academic Conferences :** Amsterdam JFI conference (2001), Manresa CEPR conference on Finance (2000), Gerzensee Symposium on Financial markets (2002, 2000), New approaches in modeling financial transactions, London (2000), JFI conference on institutional investors at INSEAD (2000), RFS conference, Toulouse (1999), CEPR Conference on « Understanding Financial Architecture » (2002), MTS conference in

Toulouse (2003), Conference on the Microstructure of equity and Currency markets (2005), American Finance Association Meetings in Boston (2006), Dauphine Workshop on market Microstructure (2006).

- **Invited speaker:** the RTN MicFin Summer School on the “Economics and Econometrics of Market Microstructure”, Constance, June 2004 and the Summer School on “Market microstructure of Financial Markets”, Aix en Provence, July 2005.
- **Membership :** Member of the Western Finance Association, the American Finance Association, the European Finance Association and the French Finance Association