

# Steven Thorley

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## Education

CFA Institute	Investments	1993-1995	CFA
University of Washington	Financial Economics	1987-1991	PhD
Brigham Young University	Financial Management	1980-1982	MBA
Brigham Young University	Mathematics	1975-1979	BS

## Work Experience

Co-Editor	Financial Analysts Journal	2016-2021
Faculty Director	H. Taylor Peery Institute of Financial Services	2015-2020
Department Chair	Finance Department, Marriott School	2008-2011
Professor (all ranks)	Marriott School of Management, BYU	1991-2020
Research Director	Analytic Investors, Los Angeles, California	2000-2001
Management Consultant	Thorley, Pynes & Co., Salt Lake City, Utah	1985-1987
Senior Consultant	Andersen Consulting, Chicago, Illinois	1982-1985
Rocket Scientist	Hughes Aircraft, Los Angeles, California	1979-1980

## Journal Publications

“Price Informativeness with Equity Market Factors” with Roger Clarke and Harindra de Silva, *Journal of Portfolio Management*, Vol. 48, No. 2, pp. 66-79 (Special Issue 2022).

“Risk Management and the Optimal Combination of Equity Market Factors” with Roger Clarke and Harindra de Silva, *Financial Analysts Journal*, Vol. 76, No. 3, pp. 57-79 (Q3 2020).

“When Does Capitalization Weighting Outperform? Factor-Based Explanations” with Roger Clarke and Harindra de Silva, *Journal of Index Investing*, Vol. 9, No. 2, pp. 6-17 (Fall 2018).

“Pure Factor Portfolios and Multivariate Regression Analysis” with Roger Clarke and Harindra de Silva, *Journal of Portfolio Management*, Vol. 43, No. 3, pp. 16-31 (Spring 2017).

“Fundamentals of Efficient Factor Investing” with Roger Clarke and Harindra de Silva, *Financial Analysts Journal*, Vol. 72, No. 5, pp. 9-26 (November/December 2016).

“The Not-so-well-known Three-and-one-half Factor Model” with Roger Clarke and Harindra de Silva, *Financial Analysts Journal*, Vol. 70, No. 5, pp. 13-23 (September/October 2014).

“Risk Parity, Maximum Diversification, and Minimum Variance: An Analytic Perspective” with Roger Clarke and Harindra de Silva, *Journal of Portfolio Management*, Vol. 39, No. 3, pp. 39-53 (Spring 2013).

“Minimum Variance Portfolio Composition” with Roger Clarke and Harindra de Silva, *Journal of Portfolio Management*, Vol. 37, No. 2, pp. 31-45 (Winter 2011). Bernstein Fabozzi/Jacobs Levy Outstanding Article Award.

“Know Your VMS Exposure” with Roger Clarke and Harindra de Silva, *Journal of Portfolio Management*, Vol. 36, No. 2, pp. 52-59 (Winter 2010).

“Long-Short Extensions: How Much is Enough?” with Roger Clarke, Harindra de Silva, and Steven Sapra, *Financial Analysts Journal*, Vol. 64, No. 1, pp. 16-30 (January/February 2008).

“Minimum Variance Portfolios in the U.S. Equity Market” with Roger Clarke and Harindra de Silva, *Journal of Portfolio Management*, Vol. 33, No. 1, pp. 10-24 (Fall 2006). Bernstein Fabozzi/Jacobs Levy Outstanding Article Award.

“Investor Overconfidence and Trading Volume” with Meir Statman and Keith Vorkink, *The Review of Financial Studies*, Vol. 19, Issue 4, pp. 1531-1565 (Winter 2006).

“The Fundamental Law of Active Portfolio Management” with Roger Clarke and Harindra de Silva, *Journal of Investment Management*, Vol. 4, No. 3, pp. 54-72 (2006).

“Performance Attribution and the Fundamental Law” with Roger Clarke and Harindra de Silva, *Financial Analysts Journal*, Vol. 61, No. 5, pp. 70-83 (September/October 2005). Graham and Dodd Scroll Award.

“Estimating Hazard Functions for Discrete Lifetimes” with Scott Grimshaw, James McDonald, and Grant McQueen, *Communications in Statistics-Simulation and Computation*, Vol. 32, No. 2, pp. 451-463 (2005).

“Portfolio Constraints and the Fundamental Law of Active Management” with Roger Clarke and Harindra de Silva, *Financial Analysts Journal*, Vol. 58, No. 5, pp. 48-66 (September/October 2002). Graham and Dodd Award of Excellence.

“Return Dispersion and Active Management” with Harindra de Silva and Steven Sapra, *Financial Analysts Journal*, Vol. 57, No. 5, pp. 29-42 (September/October 2001).

“Investment Strategy Claims: Don’t Fall Into the Data Mine” with Grant McQueen, *AAII Journal*, Vol. 22, No. 2, pp. 2-7 (February 2000).

“Mining Fool’s Gold” with Grant McQueen, *Financial Analysts Journal*, Vol. 55, No. 2, pp. 61-72 (March/April 1999).

“Are There Rational Speculative Bubbles in Asian Stocks Markets?” with Kalok Chan and Grant McQueen, *Pacific-Basin Finance Journal*, Vol. 6, No. 1, pp. 125-151 (March 1998).

“Do Investors Learn? Evidence from a Gold Market Anomaly” with Grant McQueen, *The Financial Review*, Vol. 32, No. 3, pp. 501-525 (August 1997).

“Does the Dow-10 Investment Strategy Beat the Dow Statistically and Economically?” with Grant McQueen and Kay Shields, *Financial Analysts Journal*, Vol. 53, No. 4, pp. 66-72 (July/August 1997).

“Time Diversification: Perspectives from Option Pricing Theory” with Craig Merrill, *Financial Analysts Journal*, Vol. 52, No. 3, pp. 13-19 (May/June 1996).

“Delayed Reaction to Good News and the Cross-autocorrelation of Portfolio Returns” with Michael Pinegar and Grant McQueen, *Journal of Finance*, Vol. 51, No. 3, pp. 889-919 (July 1996).

“The Time Diversification Controversy,” *Financial Analysts Journal*, Vol. 51, No. 3, pp. 68-76 (May/June 1995).

“The Fallacy of Dollar Cost Averaging,” *Financial Practice and Education*, Vol. 4, No. 2, pp. 138-143 (Fall/Winter 1994).

“Bubbles, Stock Returns, and Duration Dependence” with Grant McQueen, *Journal of Financial and Quantitative Analysis*, Vol. 29, No. 3, pp. 379-401 (September 1994).

“Asymmetric Business Cycle Turning Points” with Grant McQueen, *Journal of Monetary Economics*, Vol. 31, pp. 341-362 (June 1993).

“Are Stock Returns Predictable? A Test Using Markov Chains” with Grant McQueen, *Journal of Finance*, Vol. 46, No. 1, pp. 239-263 (March 1991).

### **Other Publications**

“The Low-Volatility Anomaly” with Roger Clarke and Harindra de Silva, in *Equity Smart Beta and Factor Investing for Practitioners*, published by John Wiley and Sons, Inc., 2019.

“Analysis of Active Portfolio Management” with Roger Clarke and Harindra de Silva, *CFA Level II Exam Reading*, 2015.

“Foundations of Futures and Options” with Roger Clarke and Harindra de Silva, *CFA Institute Research Monograph*, 2013.

“The Separation of Alpha and Beta: A User’s Guide” with Roger Clarke and Harindra de Silva, *CFA Institute Research Monograph*, 2009.

“White Logs, Old Bones” and “Tree Graffiti” in *Meridian Magazine*, October 2001.

“Investment Strategy Claims: Don’t Fall Into the Data Mine” with Grant McQueen, *Investor Relations Quarterly*, Vol. 3, No. 2, pp. 18-34 (2000).

“Time Diversification and Option Pricing Theory: Another Perspective: Response” with Craig Merrill, *The Journal of Portfolio Management*, Vol. 23, No. 4, pp. 61-63 (Summer 1997).

“Dividend Announcements” with Jonathan Karpoff, *The New Palgrave Dictionary of Money and Finance*, pp. 687-689, 1992, Macmillan Press Reference Books.

“JFQA Subject Index 1986-1990”, *Journal of Financial and Quantitative Analysis*, Vol. 25, No. 4, pp. 555-563 (December 1990).

### **Professional Recognitions**

Bernstein Fabozzi/Jacobs Levy Outstanding Article Award, 2011

Outstanding Teacher Award, Business Management Department, 2008

Outstanding Faculty Award, Marriott School of Management, 2007

Bernstein Fabozzi/Jacobs Levy Award, *Journal of Portfolio Management*, 2007

Outstanding Researcher Award, Business Management Department, 2006

Graham and Dodd Scroll Award, *Financial Analysts Journal*, 2005

Bateman Student Choice Award for Teaching, Marriott School, BYU, 2003

Graham and Dodd Award of Excellence, *Financial Analysts Journal*, 2002

Outstanding Researcher Award, Marriott School, BYU, 1999

Outstanding Colleague, Business Management Department, BYU, 1994

### **Course Repertoire**

MBA 622 Investments: Core principles course for first-year graduate students

MBA 629 Silver Fund: Real-dollar portfolio management experience for graduate students

## Steven Thorley Biographical Summary

Steven Thorley is an Emeritus Professor of Finance at the Marriott School of Business. Steven received his Ph.D. in Financial Economics from the University of Washington and holds numerous awards for academic excellence including the Marriott School Outstanding Faculty Award. While on academic leaves from BYU, Professor Thorley served as the interim Research Director for Analytic Investors, a quant fund based in Los Angeles, and for Ensign Peak Advisors in Salt Lake City. Doctor Thorley's publications have been presented at academic and professional seminars around the world. Professor Thorley is a Chartered Financial Analyst (CFA) and on the investment committees for Intermountain Healthcare, Deseret Mutual Benefit Administrators, and the Thorley Ranch Company.