Anand Bharadwaj

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Education

University of California, Berkeley 2022–present
PhD in Economics. Expected completion: May 2027. Dissertation: *Essays in Financial Economics*.
Dissertation Committee: Martin Lettau and Emi Nakamura (co-chairs), Alan Auerbach, Yuriy Gorodnichenko, Chris Shannon, and Johan Walden.

University of Melbourne 2021
Bachelor of Commerce (Honours) in Economics, WAM 96.667.
Honours thesis: *Vertical Integration, Supply Assurance and the Role of Information*. Advisor: Simon Loertscher.

University of Melbourne 2020
Bachelor of Science in Mathematics and Statistics, WAM 96.421.
Diploma in Informatics, WAM 94.4.

Research and Teaching Fields

Primary:	Finance
Secondary:	Macroeconomics; Public Finance; Economic Theory
Teaching:	Asset Pricing; Empirical Finance; Fixed Income; Corporate Finance

Research Papers

Uncertainty, Disagreement and the Idiosyncratic Volatility Puzzle
Job Market Paper

Why do stocks with high idiosyncratic volatility earn low returns? Greater fundamental volatility raises both uncertainty and disagreement, with disagreement increasing proportionately more. Under short sale constraints, these forces have opposing effects on prices. We establish a sharp common prior bound relating uncertainty and disagreement and characterize an exact nonlinear rational expectations equilibrium with risk-averse investors, continuously varying positions, and learning from prices. Greater fundamental volatility can raise prices when ownership is sufficiently narrow. Consistent with the theory, we find empirically that the negative relationship between idiosyncratic volatility and subsequent returns strengthens as borrowing costs rise and ownership breadth declines, and that disagreement accounts for much of the anomaly around earnings announcements, when firm-specific public information is revealed.

To Sort or Not to Sort?
Working Paper (with Martin Lettau)

How complex must a characteristic model be to capture the cross-section of stock returns? The answer depends not only on how flexibly returns depend on characteristics, but also on how those characteristics are converted into traded portfolios. When characteristics overlap across firms, conventional managed portfolios mix the underlying payoff directions, and that mixing changes over time. We introduce a rotation that separates these directions and use it to compare linear, sorted, and nonlinear representations on common terms. Rich nonlinear functions can improve portfolio performance, but adding basis functions is not a substitute for accounting for overlap. Many characteristics remain useful even when the model can select among them, while only a few combinations of the resulting returns are needed to preserve most of their performance. Thus a rich relation between characteristics and returns can give rise to a comparatively simple set of traded payoffs.

Contracting for Persuasion
Revise and Resubmit, RAND Journal of Economics (with Ganesh Iyer)

A seller contracts with an intermediary who designs information to persuade consumers. The intermediary values both monetary incentives from the seller and reputational payoffs from improving consumer welfare. Using Lagrangian duality, we derive the sender-optimal information design in a general class of two-action Bayesian persuasion problems. The optimal contract is a commission scheme that is non-monotonic in the intermediary's relative preference: the commission rises, then falls, as pecuniary motives strengthen. With endogenous pricing, persuasion and pricing act as substitutes. The seller induces maximal persuasion when the intermediary's weight on monetary payoffs is sufficiently high, but refrains from using persuasion otherwise. Finally, we show that this setting is isomorphic to one where the influencer is a data broker with private knowledge of consumer valuations.

All in the Family: Aggregation and the Interpretation of Tax Bunching
Working Paper (with Robert Breunig)
Bunching at tax kinks shows that reported income responds to incentives, but not whether total income changes or income is merely reallocated across taxpayers. We show that real responses constrain the distribution of total family income, whereas reallocation can generate individual bunching while leaving family income smooth. Using linked Australian tax records from 2001 to 2022 and a novel global bootstrap Kolmogorov–Smirnov test, we find sharp individual bunching in every year but no detectable bunching in family average income. The results suggest that individual bunching in Australia is driven primarily by intra-family income shifting rather than real responses.

Surveillance as Information and Constraint: Evidence from Exchange Price Bands
Working Paper (with Vinodh Madhavan)
Exchange surveillance conveys information and restricts trade, and the two functions can conflict. In a sequential trading model, disclosing how informed order flow is, which reveals nothing about fundamentals, can push the prices required for informative trades outside a legal range and leave the market strictly less informed after subsequent trading, a disclosure paradox. Using the complete history of security-level price bands on India's National Stock Exchange, we find that regulatory decisions identify trading states with little information about value, and that tight bands delay the incorporation of common information without reducing it permanently. Optimal surveillance separates communication from restriction.

Work in Progress

Which Factors Should We Time?
The Monetary Foundations of Safe Assets
Competitive Prediction and Personalization in High Dimensions (with Ganesh Iyer)
Vertical Integration, Capacity Reservation and Supply Assurance (with Roman Kapuscinski)

Presentations

2026	Stanford Institute for Theoretical Economics (SITE), Public Economics; USC Marshall School of Business*
2025	UC Berkeley Public Finance Seminar; UC Berkeley Macro Colloquium; UC Berkeley Macro Lunch; University of Melbourne; UT Austin*; Chinese University of Hong Kong*
2024	UC Berkeley Graduate Economics Mini Symposium (GEMS); Santa Clara University
2023	UC Berkeley Macro Colloquium

* Presented by coauthor

Research Experience and Affiliations

Australian National University, Research Affiliate; sponsor: Robert Breunig	2024–present
UC Berkeley Macro Policy Lab, Research Fellow	2023–present
UC Berkeley, Research Assistant for Emi Nakamura and Jón Steinsson	2023–2025
UC Berkeley, Research Assistant for Chen Lian	2024
UC Berkeley, Research Assistant for Eben Lazarus	Dec. 2025–Jan. 2026
UC Berkeley, Research Assistant for Emmanuel Saez and Gabriel Zucman	2022–2024
University of Melbourne, Research Assistant for Simon Loertscher	2019–2022

Fellowships, Honors, and Awards

2026	BB90 Grant for Monetary Economics
2025, 2026	Burch Center Fellowship, Robert D. Burch Center for Tax Policy and Public Finance
2024, 2025	Wilfred Prest Travelling Fellowship, University of Melbourne
2023–2027	UC Berkeley Departmental Fellowship
2023	Stone Center Fellowship
2022–2023	Berkeley Fellowship
2022	William Noall & Son Prize (best Honours student across all Bachelor of Commerce disciplines); Jean Polglaze Memorial Prize (best Economics Honours thesis); Department of Economics Honours Prize; departmental prizes in Advanced Microeconomics and Advanced Macroeconomics
2021	C.S. Soper and Joan Rydon Scholarship; winner, Australian Treasury OECD Essay Competition
2018–2020	Melbourne Chancellor's Scholar; Dean's Honour List (2018, 2019, 2020); Norma McArthur Prize in Statistics (2019); Dixson Scholarship in Mathematics (2018)
2020	ACM International Collegiate Programming Contest, World Finalist; fourth in Asia Pacific Regional Finals (2018, 2019)

2017 Perfect ATAR of 99.95 and highest VCE aggregate in Victoria; Australian Team Reserve for the International Olympiad in Informatics; gold medals in Australian mathematics, physics, and informatics competitions

Teaching Experience

Teaching assistant appointments

Empirical Methods in Finance (MFE 230E) Spring 2024–2026
Haas School of Business; Michael Bauer and Martin Lettau

PhD Microeconomics Core (ECON 201A) Fall 2024, 2025
Department of Economics; Chris Shannon

Fixed Income Markets (MFE 230I) Summer 2025–2026
Haas School of Business; Richard Stanton

Mathematical Economics (ECON 30020) 2021, 2022
University of Melbourne; Simon Loertscher

Academic Service

Student member, UC Berkeley Economics PhD admissions review committee (2024, 2025).
UC Berkeley Macroeconomics Seminar student coordinator (2023–2024).
Refereeing: *Review of Economic Studies*; *Quarterly Journal of Economics*.

Prior Professional Experience

Productivity Commission, Assistant Research Economist, Melbourne Feb.–Jul. 2022
Kearney, Summer Intern, Melbourne Nov. 2021–Jan. 2022
Department of Treasury and Finance, Economic Intern, Melbourne Dec. 2020–Feb. 2021
Optiver Asia Pacific, Trading Intern, Sydney Nov. 2019–Jan. 2020
Frontier Economics, Summer Intern, Melbourne 2017, 2019
SEEK Limited, Winter Intern, Melbourne 2016, 2018

Books and Other Information

Cambridge Checkpoints VCE GAT 2023, 5th ed., Cambridge University Press, 2022.
Cambridge Checkpoints VCE French Units 3 & 4, 4th ed., with Anne Orgeolet, Cambridge University Press, 2020.
Computing: Python, R, C, C++, MATLAB, EViews, LaTeX, SQL, Java, Stata.
Languages: English, French, Tamil (fluent); Mandarin Chinese (advanced).
Citizenship: Australian.
Scrabble: WESPA International Master; youngest World Youth Scrabble Champion (2011); Victorian Champion (2022); World Blitz Championship quarterfinalist (2021).

References

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