Research Notes: Robert Prilmeier

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Robert Prilmeier's paper "Why Does Fast Loan Growth Predict Poor Performance for Banks?" co-authored with Rüdiger Fahlenbrach and René Stulz, has been accepted for publication in the Review of Financial Studies. In examining U.S. publicly listed banks between 1972 and 2014, the authors find that banks that grow their loan portfolios quickly make loans that perform worse than the loans of other banks; that investors and equity analysts do not anticipate this poorer performance; and that these banks fail to set aside enough reserves for loans, which suggests that they under-appreciate the risk of these loans. Prilmeier is an assistant professor of finance at Tulane University's A. B. Freeman School of Business.