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Alessandro Beber

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Education

Ph.D. Economics and Management	St. Anna School of Advanced Studies , Italy Ph.D. Candidate, Finance concentration. Committee: Michael W. Brandt (Chair), Andrea Beltratti, Giulio Bottazzi, Giovanni Dosi, and Luca Erzegovesi. Expected Completion: December 2002.	1999 - 2002
Visiting Ph.D. Student	The Wharton School , University of Pennsylvania Department of Finance	2000 - 2002
Laurea in Economics	University of Trento , Trento, Italy <i>Summa cum Laude</i> Thesis: Technical Analysis and Stock Market Efficiency	1992 - 1997

Research Interests

Empirical Asset Pricing, Market Microstructure, Corporate Finance, Derivatives.

Working Papers

<i>The Effect of Macroeconomic News on Beliefs and Preferences: Evidence from the Options Market</i> , (with Michael W. Brandt), job-market paper	2002
<i>Orders Submission Strategies and Information: Empirical Evidence from the NYSE</i> , (with Cecilia Caglio)	2002
<i>Derivatives Use and Hedging: A Time-Series Perspective</i>	2002
<i>The Determinants of the Implied Volatility Function on the Italian Stock Market</i>	2001

Book Chapters

<i>Hybrid Intelligent Decision Support Systems and Applications for Risk Analysis and Prediction of Evolving Economic Clusters in Europe</i> , (with N. Kasabov, L. Erzegovesi, M. Fedrizzi, D. Deng) in: N. Kasabov (ed) <i>Future directions for intelligent information systems and information sciences</i> , Springer Verlag, 347-372	2000
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Teaching Experience

Lecturer	The Wharton School , University of Pennsylvania Full responsibility for teaching <i>Speculative Markets</i> (FNCE717), MBA level	Spring 2002
Lecturer	The Wharton School , University of Pennsylvania Full responsibility for teaching <i>Speculative Markets</i> (FNCE206), undergraduate level	Spring 2002
Lecturer	University of Trento , Italy Full responsibility for teaching <i>Financial Markets</i> undergraduate level	Fall 1998
Teaching Assistant	University of Trento , Italy <i>Corporate Finance</i> , Prof. Luca Erzegovesi undergraduate level	Spring 1999

Professional Experience

Asset Manager	Cassa Centrale Casse Rurali Trentine Spa , Italy Managed Sicav and Eurobond funds (about 250 Millions euros)	1997-1999
Intern	Forinvest Sim Spa , Italy Technical analyst and consultant for the foreign-currency desk	1996

Fellowships and Awards

Young Researchers Fellowship, Italian Ministry of University and Research	2001
Research Fellowship, Alea Financial Risk Research Center	1999
Award for outstanding graduation, Servizi Interbancari Spa	1997

Skills and Interests

Languages: mother tongue Italian, fluent in English, basic German.
Computing: Matlab, SAS, Stata, Maple, LaTeX.
Sports: soccer, downhill skiing, basket.

References

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Alessandro Beber's Paper Abstracts

The Effect of Macroeconomic News on Beliefs and Preferences: Evidence from the Options Market (with Michael W. Brandt), Job Market Paper, November 2002

We examine the effect of regularly scheduled macroeconomic announcements on the beliefs and preferences of participants in the U.S. Treasury market by comparing the option-implied state-price density (SPD) of bond prices shortly before and after the announcements. We find that the announcements reduce the uncertainty implicit in the second moment of the SPD regardless of the content of the news. The changes in the higher-order moments, in contrast, depend on whether the news is good or bad for economic prospects. Using a standard model for interest rates to disentangle changes in beliefs and changes in preferences, we demonstrate that our results are consistent with time-varying risk aversion in the spirit of habit formation.

Orders Submission Strategies and Information: Empirical Evidence from the NYSE (with Cecilia Caglio), November 2002

We investigate the role of asymmetric information in affecting order submission strategies. We show that orders' aggressiveness depends on several variables of the investor's information set. We find that, in three different situations characterized by higher probability of information-based trading, orders are less aggressive. Moreover, informed traders may react in a different manner to a change in some of their information set's variables.

Derivatives' Use and Hedging: A Time-Series Perspective, November 2002

This paper examines how large U.S. non-financial firms use of foreign currency derivatives over time. The results indicate that the extent and time-series variation of derivatives' holdings are poorly explained by traditional optimal hedging theories. There is evidence, however, of managers possibly adjusting derivative positions according to their market views. Consistent with this hypothesis, we document a significant increase in volatility and earnings' forecast errors when derivatives' use is more intense. These findings are at odds with derivative holdings being managed to hedge foreign currency risk.

The Determinants of the Implied Volatility Function on the Italian Stock Market, December 2001

This paper describes the implied volatility function for options written on the Italian stock market index and relates its shape to a set of potential explanatory variables. We observe a persistent negative asymmetry, that depends linearly on the option's time to maturity, on the options market liquidity, and on the underlying historical volatility. In contrast, a potential proxy for portfolio insurance activities does poorly in explaining the observed pattern. Further analysis shows that the dynamic interrelation between the implied volatility function and some determinants could be, to a certain extent, non-linear.