

# CARMELO GIACCOTTO

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## **Education**

Ph.D. (Finance / Econometrics), University of Kentucky, 1978

Dissertation: "The Random Walk Model of Stock Market Prices"

B.A. (Mathematics/Computer Science), Transylvania College, 1974

## **Teaching Experience**

Professor of Finance, University of Connecticut, Fall 1992 - present

Associate and Assistant Professor, University of CT, Fall 1981 - Spring 1992

Assistant Professor of Finance, Temple University, Fall 1978 - Spring 1981

Visiting Professor of Finance, University of Milan, May 2016-2019

Visiting Professor of Finance, Oxford University, May 2014

Visiting Professor of Finance, University of Bologna, May 2011

Visiting Professor of Finance, ISCTE University of Portugal, April 2009

Visiting Professor of Finance, LUISS University, May 2008

## **Courses Taught**

Financial Modeling with Microsoft Excel (MBA, this is a "Hands-on" course)

International Finance (Undergraduate, MBA)

Derivative Securities: Options and Futures (Ph.D., MBA, Undergrad)

Principles of Corporate Finance (Undergrad, MBA, Executive MBA)

Advanced Corporate Finance for Actuarial Students (Course 2, Society of Actuaries)

Investment Analysis and Portfolio Management (Undergraduate, MBA)

Theory of Financial Decision Making (Ph.D.); Empirical Methods in Finance (Ph. D.)

## **Fellowships**

UConn School of Business Ackerman Faculty Fellow, 2016– 2018

UConn School of Business Ackerman Faculty Fellow, 2007– 2009

UConn School of Business Best Paper Award, 2005-2006

Keith B. Johnson Faculty Fellow, School of Business, 1997 - 1999

Yale/Mellon Visiting Faculty Fellowship at Yale University, 1987 - 1988

## Textbooks

OPTIONS AND FUTURES (with Staff Johnson) West Publishing Company, 1995.

## Publications

“Short-Term and Long-Term Discount Rates for Real Estate Investment Trusts” (with Erasmo Giambona and Yanhui Zhao), accepted for publication *The Journal of Real Estate Finance and Economics* (2020)

“Does the Stock Market React Differently to Intangible Asset Investments than to Tangible Asset Investments?” (with Neeraj Gupta and Joseph Golec), *Journal of Business Inquiry*, (2018) Vol. 18, pp. 53-67.

“The St. Petersburg Paradox and Capital Asset Pricing”, (with Assaf Eisdorfer ), *The Annals of Finance* (2016) Vol. 12, 1-16.

“Do corporate managers skimp on shareholders' dividends to protect their own retirement funds?”, (with Assaf Eisdorfer and Reilly White), *Journal of Corporate Finance* (2015) 257-277.

“Foreign Exchange Risk and the Term-Structure of Industry Costs of Equity”, (with Alain Krapl), *Journal of International Money and Finance* (2015) 51, 71-88.

“Measuring the Performance of the Secondary Market for Life Insurance Policies”, (with Joseph Golec and Bryan Schmutz), *Journal of Risk and Insurance* (2015).

“Is the Real Estate Sector More Responsive to Economy-wide or Housing Market Conditions? An Exploratory Analysis”, (with Laurie Bates and Rex Santerre), *Journal of Real Estate Finance and Economics* (2015).

“Good News and Bad News About Firm-Level Stock Returns of Internationally Exposed Firms”, (with Alain Krapl), *International Review of Finance* (2014).

“Capital Structure, Executive Compensation, and Investment Efficiency”, (with Assaf Eisdorfer and Reilly White), *Journal of Banking and Finance* (2013) 37 (2), 549-562.

“The Use of Bayes Factors to Compare Interest Rate Term Structure Models”, (with Keener Hughes and Paul Hsu), *Quantitative Finance*. (2013) Vol. 13, no. 3, 369-381.

“Pricing Assets with Stochastic Cash-Flow Growth”, (with Assaf Eisdorfer), *Quantitative Finance*. (2012). 1-13.

“Should Managers Estimate the Cost of Equity Using a Two-Factor International CAPM? ”, (with Walt Dolde, Dev Mishra, and Tom O'Brien), *Managerial Finance*. (2012) 708-728.

“New Estimates of the Cost of Capital for Pharmaceutical Firms”, (with Joe Golec and John Vernon), *Journal of Corporate Finance*. (2011), Vol. 17, pp. 526-540.

“Foreign Exchange Exposure and Cost of Equity for U.S. Companies: Local Versus Global CAPM”, (with Walter Dolde, Dev Mishra and Tom O'Brien), *Journal of Applied Finance*. (2010), Vol. 21:1, pp. 78-86.

“The Aggregate Demand for Private Health Insurance Coverage in the U.S.”, (with Francis Ahking and Rexford Santerre), *The Journal of Risk and Insurance*. (2009), Vol. 76:1, pp. 133-157.

“The Intertemporal Behavior of the Risk/Return Tradeoff for Long-Horizon International Equity Portfolios”, (with Jim Sfiridis and Erasmo Giambona), *The International Journal of Finance*. (2009)

“Discounting Mean Reverting Cash Flows with the Capital Asset Pricing Model”, *The Financial Review*. (May 2007), Vol. 42:2, pp. 247-265.

“The Value of Embedded Real Options: Evidence from Consumer Automobile Lease Contracts”, (with Gerson Goldberg and Shanta Hegde), *The Journal of Finance*, (February 2007), Vol. 62:1, pp. 411-445.

“The Effect of Indirect Government Controls on Drug Price and R&D in the U.S.”, (with Rex Santerre and John Vernon), *The Cato Journal*. (2006) Vol. 26:1, pp.143-158.

“The Conditional Performance of REIT Stock Repurchases”, (with Erasmo Giambona and Joe Golec), *Journal of Real Estate Finance and Economics*. (2006) Vol. 32:2, pp. 129- 149.

“The Long-Run Performance of REIT Stock Repurchases”, (with Erasmo Giambona and C. F. Sirmans), *Real Estate Economics*. (2005) Vol. 33:2, pp. 351- 380.

“Drug Prices and Research and Development Investment Behavior in the Pharmaceutical Industry,” (with Rex Santerre and John A. Vernon) *Journal of Law and Economics*, (2005) Vol. 48:1, pp. 195-214.

“The Wealth and Information Effects and Insurers’ Open Market Stock Repurchases Announcements”, (with P. Born and T. Ritsatos), *Journal of Risk Management and Insurance Review*. (2004)Vol. 7:1, pp. 25-40.

“Evaluating House Price Forecasts”, (with J. Clapp), *Journal of Real Estate Research*, (2002), Vol. 24:1, pp. 1-26.

“Hedging Multiple Price and Quantity Exposures,” (with S. P. Hegde and J. McDermott), *Journal of Futures Markets*, February 2001, Vol. 21:2, pp 145-172.

“Revisions in Repeat Sales Price Indices: Here Today, Gone Tomorrow?”, (with J. Clapp), *Real Estate Economics*. (1999), Vol. 27:1, pp. 79-104.

“Residential Hedonic Models: A Rational Expectations Approach to Age Effects”, (with J. Clapp), *Journal of Urban Economics*. (1998), Vol. 44, pp. 415-437.

“Price Indices Based on the hedonic Repeat Sales Method: Application To the Housing Market”, (with J. Clapp), *The Journal of Real Estate Finance and Economics*, (1998), Vol. 16:1, pp. 5-26.

“Three New Real Estate Price Indices for Geneva, Switzerland”, (with M. Hoesli and P. Favarger), *The Journal of Real Estate Finance and Economics* (1997), Vol. 15, pp. 93109.

“Real Estate Price Indices and Performance: The Case of Geneva”, (with M. Hoesli and P. Favarger), *The Swiss Journal of Economics and Statistics* (1997), Vol. 133, pp. 2948.

“Hypotheses Testing in Event Studies: The Case of Variance Changes”, (with James Sfiridis), *The Journal of Economics and Business* (1996), Vol. 48, pp. 349-370.

“Estimating Time Adjustments with Sales Prices and Assessed Values”, (with John Clapp and Greg Richo), *The Appraisal Journal*, (July 1996), Vol LXIV (3), pp. 319-327.

“Which Real Estate Price Index is Right for Mortgage Backed Securities” (with John Clapp), *Real Estate Finance*, (Summer 1995), Vol. 12 (2), pp.41-47.

“Adjusting for Time Using Sales Ratio Data”, (with John Clapp and Greg Richo), *Property Tax Journal* (1994) Vol. 1, pp. 56-62.

“The Influence of Economic Variables on Local House Price Dynamics”(with John Clapp), *The Journal of Urban Economics*, (1994) Vol. 36, pp.161-183.

“A Case Study of the Impact of Monetary Policy on Exchange Rates”, (with S. Johnson and R. Zuber), *Journal of Economics and Business*, (1993) Vol. 45, pp. 285-296.

“Appraisal Based Real Estate Returns under Alternative Market Regimes”, (with John Clapp), *Journal of the American Real Estate and Urban Economics Association* (1992) Vol. 20 (1) pp. 1-24.

“Estimating Price Trends for Residential Property: A Comparison of Repeat Sales and Assessed Value Methods” (with John Clapp), *The Journal of the American Statistical Association*, (1992) Vol. 87, pp. 300-306.

“Repeat Sales Methodology for Price Trend Estimation: An Evaluation of Sample Selectivity”, (with J. Clapp), *Journal of Real Estate Finance and Economics* (1992) Vol. 5, pp. 357-374.

“Accounts Receivable Policy Under Stochastic Inflation”, *The Journal of Accounting, Auditing and Finance*, (New York University) (1992) Vol. 7, pp. 291-312.

“Housing Price Indices Based on All Transactions Compared to Repeat Sub-samples”, (with J. Clapp and D. Tirtiroglu), *Journal of the American Real Estate and Urban Economics Association*, (1991) Vol. 19 (3), pp. 270-285.

“Power and Robustness of Jackknife and Likelihood Ratio Tests for Grouped Heteroscedasticity”, (with S. Sharma), *The Journal of Econometrics*, (1991), Vol. 26, pp. 343-372.

“An Application of the Box-Jenkins Methodology to Capital Budgeting”, (with Paul Fallone), *Managerial Finance*, (1991) Vol. 17 (2), pp. 51-69.

“Cash Flow Modelling and Forecasting in Capital Budgeting Under Uncertainty”, *Decision Sciences*, (1990) Vol. 21 (4), pp. 825-841.

“Compounding and Discounting with Stochastic Interest Rates”, *The Journal of Business Finance and Accounting*, (1989) Vol. 16 (5), pp. 745-769.

“Jackknife Tests for Heteroscedasticity in the General Linear Model”, (with S. Sharma) *The Australian Journal of Statistics*, (1988) Vol. 30 (2), pp. 200-216.

“Stochastic Modeling of Interest Rates: Actuarial vs Equilibrium Approach”, *The Journal of Risk and Insurance*, (1986) Vol. 53, pp. 435-453.

Reply to “Optimum Distribution-Free Tests and Further Evidence of Heteroscedasticity in the Market Model: Comment”, (with M. M. Ali). *The Journal of Finance*, (June 1985).

“A Study of Several New and Existing Tests for Heteroscedasticity in the General Linear Model”, (with M. M. Ali). *The Journal of Econometrics*, (1984), Vol. 26, pp. 355-373. “A

Simplified Approach to Risk Analysis in Capital Budgeting with Serially Correlated Cash Flows”, *The Engineering Economist*, (1984), Vol. 29, pp. 273-286.

“The Temporal Stability of the Systematic Risk Coefficient”, *The Journal of Organizational Behavior and Statistics*, (May 1984) Vol. 1, pp. 17-31.

“A Note on Tests of the Capital Asset Pricing Model”, *The Financial Review*, (March 1984), Vol. 19, pp. 97-102.

“Optimum Distribution-Free Tests and Further Evidence of Heteroscedasticity in the Market Model”, (with M. M. Ali). *The Journal of Finance*, (December 1982), Vol. 37, pp. 1247-1257.

“The Identical Distribution Hypothesis for Stock Market Prices” (with M. M. Ali) *The Journal of the American Statistical Association*, (March 1982) Vol. 77, pp. 19-28.

### **Executive Seminars**

Develop and deliver a two-day seminar on Corporate Finance for actuarial students.

Develop and deliver a two-hour lecture on Modern Portfolio Theory for the employees and independent agents of Tower Square Securities, Inc., a subsidiary of Travelers Insurance Company.

Teach Investments in the Financial Management Development Program at Travelers Insurance Company.

Developed a two day course on IFPS (an Interactive Financial Planning System) for portfolio managers from Connecticut National Bank.

Developed a three day course on Financial Analysis with LOTUS 1-2-3 for IPS International.

Developed a series of tutorial sessions (from basics to macros) on LOTUS 1-2-3 for high level managers of the: Dept. Of Personnel, State of Connecticut; Dept. of Income Maintenance, State of CT; Commission on Hospital and Health Care, State of CT.

### **Dissertation Advisor**

“Three Essays on Equity REITs Cost of Equity Capital” by Iskandar Arifin (2013), Major Advisor.

“Performance Measurement under Differential Information” by Erasmo Giambona (2003), Associate Professor, University of Amsterdam. Major Advisor.

“The Pricing of Latin Syndicated Loans: An Application of Arbitrage Pricing Theory”, by Carlos Z. Jaramillo (1994), Instituto de Estudios Superiores en Administracion, (I.E.S.A.) Venezuela. Major Advisor.

“Two essays in Financial Economics: A Test of the Information Content of Dividends and the Forward Premium Hypotheses” by Ken Daniels (1991), Professor, Virginia Commonwealth University. Associate Advisor.

“Information Processing by Markets and Market Efficiency” by Dogan Tirtiroglu (1991), Professor, University of Adelaide. Associate Advisor.

“Two Essays on a New Event Study Methodology”, by James M. Sfiridis (1991), Associate Professor, University of Connecticut. Major Advisor.