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Education

<i>Since Sept. 2009</i>	Ph.D Finance, London School of Economics
<i>June. 2009</i>	M.Sc. Financial Markets and Intermediaries, <i>très bien</i> (first class honours) Toulouse School of Economics
<i>Jan. 2006 - June 2008</i>	M.Sc. Economics and Finance, 110/110 <i>cum laude</i> and special mention (in the School Annals), Rome Tor Vergata University
<i>Sept. 2002 - Dec. 2005</i>	B.Sc. Economics and Management, 110/110 <i>cum laude</i> , Rome Third University

Research Interests

Institutional Investors, Corporate Finance, Corporate Governance, Credit Rating Agencies

Job Market Paper

Do Institutional Investors Improve Capital Allocation?

Working Papers

The Wall Street Walk when Blockholders Compete for Flows, with Amil Dasgupta, June 2012 (R&R Journal of Finance)

Investment Mandates and the Downside of Precise Credit Ratings, with Jason R. Donaldson, May 2012

Overrating Agencies: Competition, Collusion, Information and Regulation, with Jason R. Donaldson, June 2011

Teaching Experience at the LSE

<i>2012 and 2013</i>	Class teacher for FM212 Principles of Finance (undergraduate B.Sc.)
<i>2011 to 2013</i>	Course Support Manger for FM422 Corporate Finance (executive M.Sc.)
<i>Summer 2010 and 2011</i>	Class teacher for AF250 Financial Markets (summer school)

Awards, Scholarships and Fellowships

<i>June 2012</i>	Granted the renewal of the Deutsche Bank Fellowships to finance my Ph.D studies
<i>June 2011</i>	Awarded one of the two Deutsche Bank Fellowships to finance my Ph.D studies
<i>June 2010</i>	Granted the renewal of the scholarships “Giovanna Crivelli” sponsored by Unicredit Group won in 2009
<i>June 2009</i>	Awarded with “Tor Vergata - Sebastiano e Rita Raeli” prize for top performance
<i>Jan. 2009</i>	Awarded with one of the two scholarships “Giovanna Crivelli” sponsored by Unicredit Group. The scholarship provides a grant for being enrolled in a Ph.D in Finance or Economics in a foreign country
<i>April 2008</i>	Awarded with a prize by Unicredit - Banca di Roma, for being one of the top students of Tor Vergata University
<i>Dec. 2007</i>	Selected as one of the best 40 students of Tor Vergata University
<i>Sept. 2005</i>	Awarded with a prize equal to the university fees for completion of first university degree in due time and <i>cum laude</i>

References

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Paper Abstracts

“Do Institutional Investors Improve Capital Allocation?” (Job Market Paper)

This paper contrasts profit-maximizing individual investors with career-concerned portfolio managers in terms of their effect on firms’ funding, economic welfare, and shareholder wealth. The finance literature has shown the negative effects of portfolio managers’ career concerns. In contrast, I show a positive side: I find that delegated portfolio managers allocate capital more efficiently than do individual investors, which promotes investment, fosters firm growth, and enriches shareholders. Funding markets require information, but individual speculators are sometimes disinclined to acquire it; in contrast, the career concerns of portfolio managers lead them endogenously to embed information into prices and to trade more often. Finally, I show that career-concerned speculators mitigate the effect of the winner’s curse and thereby reduce the discount in a seasoned equity offering.

“The Wall Street Walk when Blockholders Compete for Flows” with Amil Dasgupta

An important recent theoretical literature argues that the threat of exit can be an effective form of governance when the blockholder is a principal. However, delegated portfolio managers hold a significant fraction of equity blocks. How do agency frictions arising from such delegation affect the ability of blockholders to govern via the threat of exit? Fund managers are often subject to short-term flow-performance relationships and differ in their relative flow-sensitivities. We show that when blockholders are sufficiently flow-sensitive, exit will fail as a disciplining device. Our result generates testable implications across different classes of funds: only those funds who have relatively high powered incentives will be effective in using exit as a governance mechanism. We also show that the threat of exit can complement shareholder voice, and thus provide a potential explanation for the empirically observed variation across different types of portfolio managers’ use of voice.

“Investment Mandates and the Downside of Precise Credit Ratings” with Jason R. Donaldson

In a problem of delegated portfolio choice, competitive risk-averse agents offer a risk-averse investor contracts depending on portfolio weights and final wealth as well as a public signal—for example an asset’s credit rating. The optimal contract is affine in wealth and implements both efficient investment and optimal risk-sharing for each realization of the public signal, but agents’ competition drives them to write the public signal into their contracts and prevent risk-sharing over it, a result reminiscent of Hirshleifer (1971). We comment on applications to asset managers’ investment mandates and advocate regulation of credit rating agencies to prohibit their publishing information in forms conducive to inclusion in rigid contracts.

“Overrating Agencies: Competition, Collusion, Information and Regulation” with Jason R. Donaldson

Firms issue securities to fund projects in an opaque market in which investors cannot infer the value of assets. As a result, good firms, unable to differentiate themselves, bypass profitable investment opportunities: informational inefficiency leads to allocational inefficiency. A rating agency enters the market, providing certification for a fee; it not only fails to inform investors and encourage investment, but also captures a tidy share of firms’ rents. With two agencies competing in fees and disclosure rules, though, problems disappear—information is complete and investment efficient. When the agencies interact repeatedly they are prone to collusion. When investment opportunities are plentiful they rate honestly, but charge fees so high that some positive NPV projects go unfunded. On the other hand, when there are few investment opportunities in the economy they overrate and good firms don’t invest. Regulatory prescriptions of bundling ratings with CDS issues and flooring fees solve the problem.