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Education

New York University Stern School of Business, New York, NY USA

Ph.D. in Finance, 2018 (expected)

Indian Institute of Management Bangalore, Bengaluru, India

Post Graduate Diploma in Management (MBA equivalent), 2009

Yale School of Management, New Haven, CT USA

MBA Exchange Student, Fall 2008

National Institute of Technology Karnataka, Surathkal, India

Bachelor of Technology, Electrical and Electronics Engineering, 2007

Interests

Financial Intermediation and Regulation, Corporate Finance, Energy Markets

Job Market Paper

Acquiring Failed Banks

Abstract: I study the effects of acquisitions of failed banks over the last decade. During that period, the vast majority of distressed banks were sold through a competitive bidding process. My empirical strategy relies on comparing outcomes for the acquiring bank to those for the bank that came second in the auction. The acquisitions generate positive abnormal returns on announcement. I test whether this reflects access to new lending opportunities or access to the deposit franchise, and find evidence that it is the latter. After the takeover, the lending of the combined entity in areas where the failed bank operated collapses. Deposit outflow from the acquired bank is far more muted. The lending decline holds for loan categories that were not responsible for the bank's failure, and is not driven by local demand shocks. It is not explained by the acquirer using the acquired deposits to fund loans in markets not directly affected. However, the acquirer's deposit rates in these unaffected markets do go down, reflecting increased deposit market power. Confirming that a loss of relationship capital drives the lending decline, the effect is much stronger in markets where the acquirer was already present and thus, is more likely to shut down the failed bank's branches. Surprisingly, this consolidation does not affect deposit retention. Overall, my results suggest that on failure the deposit franchise is transferred seamlessly to the acquiring bank but the loan production technology is not.

Working Papers

Foreign Currency Borrowing of Corporations as Carry Trades: Evidence from India (with Viral V. Acharya)

Abstract: We study the causes and consequences of the rise in foreign currency borrowing by non-financial corporates in an emerging market over the last decade. Using detailed firm-level issuance data from India, we show that issuance propensity for the same firm is higher when the difference in short-term interest rates between India and the US are higher i.e. when the dollar 'carry trade' is more profitable; a phenomenon that is driven by the period after the global financial crisis. In contrast, most standard firm-level variables, on their own, are not predictive of issuance. Consistent with the carry trade motive, we find that firms with low leverage are most likely to take advantage of these favorable funding conditions; firm cash holdings rise more after a foreign currency debt issue than after an equivalent amount raised through other sources; and firm exposure to foreign exchange risk rises after an issuance implying that the currency risk is not fully hedged. Using the 'taper tantrum' episode of Summer 2013 as an unexpected shock to foreign exchange volatility, we find that a market-based measure of FX exposure does a better job in capturing firm exposures than accounting measures. Firms with high FX exposure and a propensity to issue in more favorable funding environments are the hardest hit during the taper tantrum episode. Finally, we also present suggestive evidence that risks spill over to local banks from foreign currency borrowers with whom they have relationships.

Lending to Influence Politicians: County-level Evidence

Abstract: Using changes in the composition of the US House Financial Services Committee as a shock to a region's political importance, I provide evidence that financial institutions alter lending patterns depending on whether a county is represented by a member of the committee. The effects are asymmetric – on gaining a member, counties see no immediate change but on losing a member, there is a decline in home mortgage loans originated. This asymmetry is consistent with models that emphasize reputation building in the market for political favours. Effects are greater where the politician receives less direct contributions suggesting that these indirect contributions might be substitutes for direct giving. In the presence of limits on campaign contributions, these results emphasize alternate channels that firms may employ to influence politicians.

Work in Progress

Financial Participants in Commodities Markets: Evidence from US Electricity Trading

Awards and Grants

Marcus Nadler Fellowship, NYU Stern, 2016-2017
NYU Stern Doctoral Fellowship, 2012-2016
AFA Student Travel Grant, 2016
PhD Research Grant, Center for Global Economy and Business - NYU Stern, 2015
NYU Stern Teaching Commendation, 2015
Director's Merit List (Top 5% of class), IIM Bangalore, 2008

Teaching Experience

New York University Stern School of Business, New York, NY USA

Instructor

- Corporate Finance (Undergraduate) — Summer 2015
  21 students; Instructor rating: 6.8/7.0

Teaching Assistant

- Corporate Finance (MBA) — Fall 2014, Spring 2015, Fall 2015, Fall 2016
- Corporate Finance (Undergraduate) — Spring 2015

Professional Experience

Indian School of Business, Hyderabad, India
Researcher, Centre for Analytical Finance — June 2010 - July 2012

ITC Limited, Kolkata, India
Graduate Leadership Program in Sales & Marketing — June 2009 - June 2010

Accenture, Mumbai, India
Summer Analyst, Management Consulting — April 2008 - June 2008

Other Information

Computer Skills: Python, C, STATA, SAS, MATLAB
Citizenship: Indian
Languages: English, Hindi (native)
Non-academic Interests: Trivia, Bat-and-ball sports, Independent cinema

References

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Last updated: November 2017