SHAHRAM AMINI — August 31, 2017

CONTACT INFORMATION

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RESEARCH INTERESTS

Market inefficiencies, product market competition and managerial incentives, corporate actions and subsequent market reaction, IPO markets, empirical asset pricing, econometric modeling

EDUCATION

Ph.D. in Finance

Virginia Tech | Blacksburg, VA — Expected May 2018

- Advisors: Dr. Vijay Singal (co-chair), Dr. Raman Kumar (co-chair)
- Area of study: Market inefficiencies, competition, agency costs

Ph.D. in Economics

Virginia Tech | Blacksburg, VA — 2007-2012

- Advisors: Dr. Christopher F. Parmeter (co-chair), Dr. Richard A. Ashley (co-chair)
- Area of study: Bayesian and frequentist model averaging, econometric modeling

B.Sc. in Electrical Engineering

Sharif University of Technology | Tehran, Iran

- Adviser: Dr. Rahim Faez
- Area of study: Microelectronic and nanoelectronic devices

WORKING PAPERS

Amini, S., Kumar, R., Shome, D. (2016), 'Product market competition and corporate investments: An empirical analysis', Virginia Tech

- **Job market paper**

Amini, S., Singal, V. (2015), 'Predictability of earnings following equity issues and buyback announcements', Virginia Tech

- Scheduled presentation: Financial Management Association, October 2017

Amini, S., MacKinlay, A., Sulaeman, J., Wei, C. (2017), 'Institutional presence and the formation of public firms', Virginia Tech

WORK IN PROGRESS

Amini, S. (2017), 'Institutional presence and financial misconduct', Virginia Tech

Amini, S. (2016), 'High frequency trading and earnings drift', Virginia Tech

Amini, S., Easterwood, J., Kumar, R., Xie, Y. (2017), 'Do U.S. firms pay out too much to their long-term detriment?', Virginia Tech

AWARDS & HONORS

Pamplin College of Business Doctoral Summer Grant	2017
Pamplin College of Business Teaching Excellence Award	2016
Pamplin College of Business Doctoral Summer Grant	2016
The Meir I. Schneller Teaching Award	2016
The American Finance Association Travel Grant	2015

PRESENTATIONS

The FMA annual meetings (presenter) | Boston, MA (scheduled)	2017
Virginia Tech (presenter) | Blacksburg, VA	2017
The FMA annual meetings (discussant) | Orlando, FL	2015
Camp Econometrics (presenter) | Lake Placid, NY	2011

Journal Publications

Amini, S., Battisti, M., Parmeter, C. (2017), 'Decomposing the conditional variance of cross-country output', Economic Modeling, 61(1), 376–387

Amini, S., Parmeter, C. (2012), 'Comparisons of model averaging techniques', Journal of Applied Econometrics 27(5), 870–876

Amini, S., Delgado, M., Henderson, D., Parmeter, C. (2012), 'Fixed vs random: The Hausman test four decades later', Advances in Econometrics 29(1), 479–513

Amini, S., Parmeter, C. (2011), 'Bayesian model averaging in R', Journal of Economic & Social Measurement 36(4), 253-287

Teaching Experience

Virginia Tech | Department of Finance

- Instructor — 2012–present
  - Courses taught: Investments, Financial Analytics, International Financial Management

Roanoke College | Department of Business and Economics

- Visiting assistant professor — 2011–2012
  - Courses taught: Quantitative Methods, Principles of Macroeconomics

Virginia Tech | Department of Economics

- Instructor — 2009–2011
  - Courses taught: Advanced Mathematics, Principles of Macroeconomics, Principles of Microeconomics

Azad University of Iran | Department of Electrical Engineering

- Instructor — 2005–2006
  - Courses taught: Digital Systems Design, Power Systems Analysis

Industry Experience

National Investment Company of Iran | Department of Finance

- Financial analyst — 2006–2007
  - Duties: Implementing advanced statistical and econometric models for return prediction, and providing buy and sell recommendations using different valuation techniques

Professional Memberships

American Finance Association — 2012–present
Financial Management Association — 2012–present
American Economic Association — 2007–present

Computer Expertise

Applications

- R, SAS, STATA

Languages

- Linux Bash Shell, LaTeX, Visual Basic

Databases

- Compustat, CRSP, I/B/E/S, RiskMetrics, ExecuComp, Thompson Reuters, SDC, TAQ, Nasdaq High Frequency Trading

Working Papers Abstracts

"Product market competition and corporate investments: An empirical analysis" (job market paper)
Our study attempts to empirically resolve the conflicting views in the theoretical literature on the effect of product market competition on corporate investments. Using both traditional proxies and recently developed text-based measures of industry concentration, we show that firms operating in concentrated industries invest significantly less in both physical capital and research and development relative to their peers in competitive industries, consistent with the Darwinian view. This result is consistent with a managerial slack-induced agency cost explanation. Managers of monopolistic firms not facing the discipline of the product market competition have greater opportunities for managerial slack and reduced incentive to invest. Competition mitigates managerial slack fostering investment. We also report that this adverse incentive to underinvest by managers of firms in concentrated industries is partially mitigated by superior corporate governance that reduces the agency problem and by certain product market characteristics that are likely to reduce managerial slack such as low pricing power and low product differentiation/entry barriers. However, after accounting for all these mitigating factors the negative association between industry concentration and investment persists. Our results are robust to corrections for endogeneity. Overall, our results are consistent with an agency cost explanation for the negative association between industry concentration and corporate investment and with the hypothesis that the disciplinary forces of product market competition have first-order effect on managerial investment incentives.

"Predictability of earnings following equity issues and buyback announcements"
We find that earnings announcements that follow equity issues and buyback announcements have predictable market reactions. Four-factor abnormal returns to earnings following buyback announcements are higher by 5.14% than similar returns to earnings following equity issues over the (-1,+30) window; the difference is 2.16% when unadjusted returns are used. The drift in these returns is unrelated and distinct from the post-earnings announcement drift, and less affected by benchmarking issues that may influence long horizon returns. The evidence is consistent with the notion that markets do not fully and quickly incorporate information in corporate actions, though the degree of information asymmetry can explain part of observed abnormal returns.

"Institutional presence and the formation of public firms"
The interaction between the local financial sector and the broader business environment is an important question. In this paper, we consider the role of "institutional presence" (defined as the size of local institutional investors by total assets) on the decision of firms to go public. We find heterogeneous effects for firms depending on their type. Firms from high-tech industries (e.g., computing and pharmaceuticals) benefit from an increased institutional presence. These firms IPO sooner, have higher initial market valuations, and sell smaller stakes than similar firms in areas with a smaller institutional presence. Further, local institutional investors take a larger initial share in these local high-tech IPOs. Non-high tech IPOs do not reap these same benefits. The evidence we find points to a demand channel from institutional investors, in which an increased institutional presence improves prospects and benefits for some (but not all) local firms that decide to go public.

References

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