SORIN M. SORESCU

Foreman R. and Ruby Bennett Chair in Business Administration
Professor and Director of the *Adam C. Sinn `00 Center for Investment Management*
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AREAS OF RESEARCH AND TEACHING INTEREST

- Asset Management and Asset Allocation
- Risk Management
- Macro Finance

EDUCATION

• University of Florida	Ph.D. in Finance	1996
Dissertation topic: The Effect of Options on Stock Prices.		
• McGill University	Master of Business Administration	1991
• McGill University	Bachelors of Electrical Engineering	1988

EXPERIENCE

Academic:

• Director of the *Adam C. Sinn `00 Center for Investment Management*	*Texas A&M University*	*since 2023*
• Executive Associate Dean	Texas A&M University	2020-2023
• Head of the Department of Finance	Texas A&M University	2009-2021
• Professor (tenured)	Texas A&M University	since 2009
• Associate Professor (tenured)	Texas A&M University	2002 to 2009
• Assistant Professor	University of Houston	1996 to 2002
• Research Assistant	University of Florida	1992 to 1996
• Teaching Assistant	McGill University	1990 to 1992

Non Academic:

• Electrical Engineer	CAE Electronics (Montreal, Canada)	1988 to 1990

REFEREED PUBLICATIONS

- Baratsas, Stefanos. G., Alexander M. Niziolek, Onur Onel, Logan R. Matthews, Christodoulos A. Floudas, Detlef R. Hallermann, Sorin M. Sorescu, and Efstratios N. Pistikopoulos, 2021, "A framework to predict the price of energy for the end-users with applications to monetary and energy policies," **Nature Communications** 12 (18).

- Sorescu, Alina, Sorin Sorescu, William Armstrong, and Bart Devoldere, 2018, "*Two Centuries of Innovations and Stock Market Bubbles,"* winner of an MSI Research Competition Grant, 2013, winner of the Best Paper Award at the Strategic Management Conference, Lausanne, 2013, winner of Mays Business School interdisciplinary research proposal, **Marketing Science**, 37 (4), 507-529.

- Akbas, Ferhat, Ekkehart Boehmer, Bilal Erturk and Sorin Sorescu, 2017, "*Short Interest, Returns, and Information*," **Financial Management**, 46(2), 455-486.

- Sorescu, Alina and Sorin Sorescu, 2016, "*Customer Satisfaction and Long-Term Stock Returns*," **Journal of Marketing**, 80 (September), 110-115.

- Akbas, Ferhat, William Armstrong, Sorin Sorescu, and Avanidhar Subrahmanyam, 2016, "*Capital Markets Efficiency and Arbitrage Efficacy,"* **Journal of Financial and Quantitative Analysis**, 51 (2), 387-413.

REFEREED PUBLICATIONS (continued)

- Akbas, Ferhat, William Armstrong, Sorin Sorescu, and Avanidhar Subrahmanyam, 2015, "*Smart Money, Dumb Money, and Equity Return Anomalies,"* **Journal of Financial Economics**, 118 (2), 355-382.
- Johnson, Shane, Theodore Moorman, and Sorin M. Sorescu, 2009, "*A Reexamination of Corporate Governance and Equity Prices,*" **Review of Financial Studies**, 22 (11), 4753-4786.
- Boehme, Rodney D., Bartley R. Danielsen, Praveen Kumar, and Sorin M. Sorescu, 2009, "*Idiosyncratic Risk and the Cross-Section of Stock Returns: Merton (1987) Meets Miller (1977),"* **Journal of Financial Markets**, 12 (3), 438-468.
- Kumar, Praveen, Sorin M. Sorescu, Rodney D. Boehme, and Bartley R. Danielsen, 2008, "*Estimation Risk, Information, and the Conditional CAPM,*" **Review of Financial Studies**, 21 (3), 1037-1076. Leading article.
- Kolari, Jim, Theodore Moorman, and Sorin M. Sorescu, 2008, "*Foreign Exchange Risk and the Cross-Section of Stock Returns,*" **Journal of International Money and Finance**, 27 (7), 1074-1097.
- Boehme, Rodney D., Bartley R. Danielsen, and Sorin M. Sorescu, 2006, "*Short-sale Constraints, Dispersion of Opinion and Overvaluation,"* **Journal of Financial and Quantitative Analysis**, 41 (2), 455-487.
- Sorescu, Sorin M., and Avanidhar Subrahmanyam, 2006, "*The Cross-Section of Analyst Recommendations*," **Journal of Financial and Quantitative Analysis**, 41 (1), 139-168.
- Boehme, Rodney, and Sorin M. Sorescu, 2002, "*The Long-Run Performance Following Dividend Initiations and Resumptions: Underreaction or Product of Chance?*," **Journal of Finance**, 57 (2), pp. 871-900.
- Danielsen, Bartley, and Sorin M. Sorescu, 2001, "*Why do Option Introductions Depress Stock Prices? An Empirical Study of Diminishing Short Sale Constraints*," **Journal of Financial and Quantitative Analysis**, 36 (4), pp. 451-484.
- De Young, Robert, William Lang, Mark J. Flannery, and Sorin M. Sorescu, 2001, "*The Information Content of Bank Exam Ratings and Subordinated Debt Prices*," **Journal of Money, Credit and Banking**, 33 (4), pp. 900-925.
- Sorescu, Sorin M., 2000, "*The Effect of Options on Stock Prices: 1973-1995*," **Journal of Finance**, 55 (1), pp. 487-514.
- Flannery, Mark J., and Sorin M. Sorescu, 1996, "*Evidence of Bank Market Discipline in Subordinated Debenture Yields: 1983-1991*," **Journal of Finance**, 51 (4), pp. 1347-1377.

WORKING PAPERS

- Flannery, Mark J. and Sorin M. Sorescu, 2023, *Partial Effects of Fed Tightening on U.S. Banks' Capital*.
- Kim, Hwagyun, Adam C. Kolasinski, Sang-Ook Shin, Sorin M. Sorescu, 2023, *Bank Runs, Ambiguity, and Stock Prices.*
- Kang, Le, Hwagyun Kim, Ju Hyun Kim, Seongjin Kim, and Sorin M. Sorescu, 2023, *How to (Properly) Compete Credit Default Swap Returns*.

WORK IN PROGRESS

- Market risk exposure in the commercial banking sector
- US national debt and the value of the US dollar seigniorage
- Ownership form and outcomes in the healthcare industry
- Time series return predictability and asset allocation

APPLIED RESEARCH – ENERGY PRICE INDEX

- Baratsas, Stefanos, Christodoulos Floudas, Efstratios Pistikopoulos, and Sorin M. Sorescu, 2018, *Texas A&M Energy Price Index* (TEPI). Comprised of 56 different energy products, the TEPI measures changes in the price level of a representative basket of energy consumption from the perspective of the aggregate US consumer. In addition to the broader TEPI, we developed four sector-specific sub-indices, each of them focused on measuring changes in energy prices that are relevant to specific sectors of the economy:
    - Residential Energy Price Index
    - Transportation Energy Price Index
    - Commercial Energy Price Index
    - Industrial Energy Price Index.

AWARDS AND HONORS

- 2018 — *Foreman R. and Ruby Bennett Chair in Business Administration*, Mays Business School, Texas A&M University
- 2016-2018 — *Ruby and Earle A. Shields Jr. '41 Chair in Investment Advising,* Mays Business School, Texas A&M University
- 2017 — *Selfless Service Resolution* passed by the Student Senate of Texas A&M University in recognition of 15 years of service to the university and its student body
- 2013 — *Dan H. Robertson Outstanding MBA Faculty Member Award*, selected by MBA students as best teacher in the MBA Program, Texas A&M University
- 2007-2016 — *Patricia and Bookman Peters Research Professorship*, Mays Business School, Texas A&M University
- 2003-2007 — *Mays Research Fellow*, Mays Business School, Texas A&M University
- 2001-2002 — *Bauer Faculty Fellow*, C.T. Bauer College of Business, University of Houston
- 2000 — *MidCon Award* for Best Teaching Performance in the Executive MBA Program, C.T. Bauer College of Business, University of Houston
- 2000 — *Melcher Teaching Fellow*, College of Business Administration, University of Houston
- 1999 — *Melcher Research Fellow*, College of Business Administration, University of Houston
- 1998 — *Melcher Teaching Fellow*, College of Business Administration, University of Houston
- 1998 — *MidCon Award* for Best Teaching Performance in the Executive MBA Program, College of Business Administration, University of Houston
- 1996 — *Presidential Recognition* for outstanding student, University of Florida
- 1995 — *Doctoral Student Consortium Fellow*, Financial Management Association
- 1995 — *Competitive Paper Award* for Best Paper in Financial Institutions, FMA.
- 1992-1995 — *Competitive Doctoral Fellowship* from the Social Sciences and Humanities Research Council of Canada
- 1991 — *McGill Associates Medal and Fellowship* for Best MBA Student, McGill University.

INVITED PRESENTATIONS ACADEMIC

- Federal Deposit Insurance Corporation, Spring 2023
- Office of the Comptroller of the Currency, Spring 2023
- Texas Tech University, Spring 2013
- University of Georgia, Spring 2010
- Florida State University, Spring 2010
- Tilburg University, Spring 2008
- University of Florida, Spring 2007
- University of Texas San Antonio, Fall 2006
- University of Kansas, Spring 2003
- Texas Christian University, Spring 2003
- Texas A&M University, Fall 2001
- Stockholm School of Economics, Fall 2000
- Swedish School of Economics and Business Administration, Fall 2000
- University of Houston, Spring 1996

INVITED PRESENTATIONS ACADEMIC (continued)

- Rutgers University, Spring 1996
- University of Wisconsin – Milwaukee, Spring 1996
- Federal Reserve Bank of Chicago, Spring 1996
- Michigan State University, Fall 1995
- Laval University, Spring 1995.

INVITED PRESENTATIONS – INVESTMENT PROFESSIONALS

- National Association of State Retirement Administrators, Fort Lauderdale, FL, 2007
- The Chicago Quantitative Alliance spring meeting, Las Vegas, NV, 2008
- The Super Bowl of Indexing, Phoenix, AZ, 2008
- Macquarie Securities Seminar, New York, NY, 2009

CONFERENCE PROCEEDINGS

- De Young, Robert, William Lang, Mark J. Flannery, and Sorin M. Sorescu, 1998, "*Could Publications of Bank CAMEL Ratings Improve Market Discipline?* " Proceedings of the 34th Annual Conference on Bank Structure and Competition, Federal Reserve Bank of Chicago, pp. 402-421.

- Flannery, Mark J., and Sorin M. Sorescu, 1995, "*Pricing Bank Default Risk in Subordinated Debenture Yields*," Proceedings of the 31st Annual Conference on Bank Structure and Competition, Federal Reserve Bank of Chicago, pp. 459-482.

CONFERENCE PRESENTATIONS

- Akbas, Ferhat, William Armstrong, Sorin Sorescu and Avanidhar Subrahmanyam, "*Smart Money, Dumb Money, and Equity Return Anomalies,"* presented at the 2015 meetings of the American Finance Association, Boston, MA, January 2015.

- Akbas, Ferhat, William Armstrong, Sorin Sorescu and Avanidhar Subrahmanyam, "*Time Varying Market Efficiency,"* presented at the 2013 annual meetings of the American Finance Association, San Diego, CA, January 2013.

- Kumar, Praveen, Sorin M. Sorescu, Rodney D. Boehme and Bartley R. Danielsen, 2007, "*Estimation Risk, Information, and the Conditional CAPM,*" presented at the 2007 annual meetings of the Western Finance Association, Big Sky, Montana, 2007.

- Johnson, Shane, Theodore Moorman and Sorin M. Sorescu, 2006, "*Governance, Stock Returns, and Market Efficiency,*" presented at the 2007 annual meetings of the American Finance Association, Chicago, IL, January 2007.

- Kolari, Jim, Theodore Moorman and Sorin M. Sorescu, 2006, "*Foreign Exchange Risk and the Cross-Section of Stock Returns,*" presented at the 2006 meetings of the Financial Management Association, Salt Lake City, UT, October 2006.

- Boehme, Rodney D., Bartley R. Danielsen Praveen Kumar, and Sorin M. Sorescu, 2006, "*Idiosyncratic Risk and the Cross-Section of Stock Returns: Merton (1987) meets Miller (1977),"* presented at the 2006 annual meetings of the Western Finance Association, Keystone, CO, June 2006.

- Boehme, Rodney D., Bartley R. Danielsen, and *Sorin M. Sorescu, 2003, "Short Sale Constraints and Overvaluation," presented at the 2003 meet*ings of the American Finance Association, Washington, DC, January 2003.

- Boehme, Rodney D., Bartley R. Danielsen, and Sorin M. Sorescu, 2002, "*Long-Term Performance after Stock Splits: Underreaction or Market Friction?*" presented at the 2002 meetings of the Financial Management Association, San Antonio, TX, October 2002.

- Boehme, Rodney, and Sorin M. Sorescu, 2000, "*The Long-Run Performance Following Dividend Initiations and Resumptions: Underreaction or Product of Chance?*," presented at the October 2000 Annual Meetings of the Financial Management Association, Seattle, Washington.

CONFERENCE PRESENTATIONS (continued)

- Boehme, Rodney, and Sorin M. Sorescu, 2000, "*The Long-Run Performance Following Dividend Initiations and Resumptions: Underreaction or Product of Chance?*," presented at the August 2000 Annual Meetings of the European Finance Association, London, United Kingdom. on SSRN's Top Ten download lists for *Capital Markets: Market Efficiency*, *FEN Conferences and Meetings*, and *European Finance Association Meetings 2000*
- Danielsen, Bartley, and Sorin M. Sorescu, 2000, "*Why do Option Introductions Depress Stock Prices? An Empirical Study of Diminishing Short Sale Constraints*," presented at the October 2000 Annual Meetings of the Financial Management Association, Seattle, Washington.
- Ramchand, Latha, and Sorin M. Sorescu, 2000, "*Long Run Stock Returns Following Equity Offerings: A Study of Global Equity Offers by U.S. Firms*," presented at the October 2000 Annual Meetings of the Financial Management Association, Seattle, Washington.
- Danielsen, Bartley, and Sorin M. Sorescu, 2000, "*Why do Option Introductions Depress Stock Prices? An Empirical Study of Diminishing Short Sale Constraints*," presented (by co-author) at the April 2000 Annual Meetings of the Midwest Finance Association, Chicago, Illinois.
- DeYoung, Robert, Mark J. Flannery, William Lang, and Sorin M. Sorescu, 1998, "*The Informational Advantage of Specialized Monitors: The Case of Bank Examiners*," presented at the June 1998 Annual Meetings of the Western Economic Association, Lake Tahoe, Nevada.
- DeYoung, Robert, Mark J. Flannery, William Lang, and Sorin M. Sorescu, 1998, "*Could Publications of Bank CAMEL Ratings Improve Market Discipline*?," presented at Federal Reserve Bank of Chicago 34th Annual Conference on Bank Structure and Competition, May 1998, Chicago, Illinois.
- Sorescu, Sorin M., 1996, "*The Price Effect of Option Introductions*: 1973-1992," presented at the 1996 Annual Meetings of the Financial Management Association, New Orleans, Louisiana.
- Flannery Mark J., and Sorin M. Sorescu, 1995, "*Evidence of Bank Market Discipline in Subordinated Debenture Yields: 1983-1991*," presented at the October 1995 Annual Meetings of the Financial Management Association, New York City, New York, Winner of the 1995 FMA Award for Best Paper in Financial Institutions.
- Flannery, Mark J., and Sorin M. Sorescu, 1995, "*Pricing Bank Default Risk in Subordinated Debenture Yields,*" presented at the Federal Reserve Bank of Chicago 31st Annual Conference on Bank Structure and Competition, May 1995, Chicago, Illinois.

TEACHING EXPERIENCE

Undergraduate Level

- Financial Markets and Institutions, Texas A&M University, 2017, 2018, 2020, 2023
- Aggies on Wall Street, Texas A&M University, 2014, 2015, 2016
- Trading and Active Management, Texas A&M University, 2008
- Introduction to Trading and Investments, Texas A&M University, 2011
- Investments, Texas A&M University, 2006, 2008
- Advanced Corporate Finance, University of Florida, 1995-1996
- Financial Markets and Institutions, University of Houston, 1996-2002.
- Maroon Fund, 2013-2015.

MBA Level

- Macro-Economics, Texas A&M University, 2012
- Investments, Texas A&M University, 2010
- Advanced Corporate Finance, University of Houston, 1998
- Financial Markets, University of Houston, 1996-2001.

MS Level

- Advanced Corporate Finance, Texas A&M University, 2002-2004.

Executive and Professional MBA Level

- Executive Seminar in Commercial Banking, Texas A&M University, 2023
- Investments, Texas A&M University, 2010
- Corporate Finance and Financial Markets, University of Houston, 1998-2002.
- Corporate Finance, Texas A&M University, 2013, 2014
- Corporate Finance and Valuation, Texas A&M University, 2015

Doctoral Level

- Empirical Research Seminar in Financial Markets, University of Houston, 1999, 2001.
- Empirical Research Seminar in Asset Pricing, Texas A&M University, 2004, 2006.

ADMINISTRATIVE EXPERIENCE

- Director of the *Adam C. Sinn '00 Center for Investment Management*, since February 2023
    - Prepared a course in European Financial Markets to be taught in Europe in May 2023
    - Worked with the Texas A&M Foundation to modify the investment policy of the Center to allow short sales, and options transactions, to create a laboratory for students and faculty to test new investment strategies, and to prepare the groundwork for direct private investments (in process).
- Executive Associate Dean, September 2020 to January 2023
    - Assisted Christa Bouwman in her successful efforts to raise $20 million from Mr. Adam C. Sinn `00.
    - Facilitated recruitment of 11 new tenured/tenure-track faculty positions and nine new academic professional track faculty at Mays.
    - Prepared a five-year BBA enrollment growth plan for the university and obtained funding for the first of the five years
    - Assisted with the building expansion of the Mays Business Education Complex
    - Worked collaboratively with relevant stakeholders to recommend an optimal allocation of space in our existing building as well as in the proposed building expansion
    - Worked with the Provost's Office to secure over $2 million in increased base funding for Mays during FY2022
    - Worked with the Dean to rewrite the Mays Faculty Evaluation Guidelines
    - Facilitated an estate gift in the amount of $1.2 million for the Center for Retailing Studies
    - Improved work efficiency at Mays by implementing several electronic workflows using DocuSign, including memos addressed to the Provost or Dean of Faculties, Entry/Exit Forms, and External Employment authorizations
    - Managed Mays' compliance with COVID guidelines, including Alternate Work Locations
    - Managed Mays' compliance with university guidelines about Conflict of Commitment
    - Worked with relevant stakeholders to select an architect and construction manager for the Mays building expansion
    - Facilitated the review process for the following Mays centers: CMIS, CHRM, CIBS, CED, CRS
    - Facilitated the review process for several endowed positions including renewals and new appointments
    - Conducted several training sessions with Mays staff pertaining to the use of Interfolio for faculty hires and for promotion and tenure cases

ADMINISTRATIVE EXPERIENCE (continued)

- Head of the Department of Finance, January 2009 to August 2020
    - Increased departmental budget from $4 million to $10 million per year
    - Hired 13 tenured/tenure track and 14 academic professional track faculty members
    - Increased the departmental endowment by over $12 million
    - Initiated or facilitated the creation of new revenue programs, industry partnerships, and philanthropic giving, resulting in significant new additional revenues for the department
- Director of the Finance Ph.D. Program, Mays Business School, Texas A&M University, Sept 2003 - June 2006, and January 2008 to December 2008

PROFESSIONAL SERVICE

- Member of the advisory board of the Texas A&M Energy Institute (2018 to present)
- Member of the team that created the Energy Price Index, in cooperation with the Energy Institute (2016-2021)
- Member of the advisory board of the Innovation Partners (2019 to present)
- Member of a university committee charged with establishing a faculty code of conduct at Texas A&M University (2019-2020)
- Member of the advisory board of ADVANCE, a unit of Texas A&M University whose mission is to promote improvement of workplace climate, recruitment, and retention of faculty (2020 to present)
- Member of the task force charged with developing the Program of Requirements for the Mays Business Education Complex (2018-2020)
- Chair or co-chair of the PhD Advisory Committee for Ferhat Akbas (2008-2011), Alex Petkevich (2008-2011), Ted Moorman (2003-2005), Bilal Erturk (2003-2006), and Will Armstrong (2009-2012)
- Member of the Ph.D. Advisory Committee for Daniel Chi (2003-2005) and Ariel Viale (2003-2006)
- Regents Scholar Mentor, Mays Business School, Texas A&M University (2006-2007)
- Chair of the faculty search committee, Mays Business School, Texas A&M University (2002-2003)
- Member of the faculty search committee, Finance Department, Mays Business School, Texas A&M University (2003-2007)
- Organized the Finance seminar series, Finance Department, Mays Business School (2002-2003)
- Doctoral student initial placement
    - Will Armstrong, Texas Tech
    - Ferhat Akbas, Kansas
    - Bilal Erturk, Oklahoma State
    - Ted Moorman, University of New Hampshire
- Referee for peer-reviewed journals
    - *Journal of Finance*
    - *Review of Financial Studies*
    - *Journal of Financial Markets*
    - *Journal of Money, Credit, and Banking*
    - *Journal of Financial Intermediation*
    - *Journal of Financial and Quantitative Analysis*
    - *Financial Management*
    - *Financial Review*
    - *Quarterly Review of Economics and Finance*
    - *Journal of Financial Research*

PROFESSIONAL SERVICE (continued)

- Member of the program committee
  - *Eastern Finance Association, 1999-2001*
  - *Financial Management Association, 2003, 2005, 2009-2014*
  - *Western Financial Association 2011-2014, 2016-2017*
- Conference discussant:
  - *American Finance Association*
  - *NBER*
  - *Eastern Finance Association*
  - *European Finance Association*
  - *Financial Management Association*
  - *ITAM Asset Pricing Conference, Mexico City, 2014*

EXECUTIVE TRAINING AND PRESENTATIONS

- Presented a session on market risk to commercial banking executives as part of a seminar sponsored jointly by Mays Business School and the Risk Management Association, 2023
- Gerson Lehrman Group, 2007-2009
- El Paso Energy, Houston, TX, 2000-2002
- Shell Oil, Houston, TX, 1998-2000

EXPERT WITNESS / CONSULTING EXPERIENCE

- *Mohammed Usman Ali et al. v. Franklin Wireless Corp., O.C. Kim, and David Brown (2022)* – consulting expert in a class action lawsuit, retained by counsel for the plaintiff to determine if the stock price of Franklin Wireless traded in an efficient market.
- *ForesTech Energy, LLC v. German Pellets Texas LLC, German Pellets Holding USA, Inc, and German Pellets GmbH (2015)*—consulting expert on valuation of a wood pellet mill and associated equity claims. Attorneys: Orgain, Bell, & Tucker, Beaumont, TX. Retained by counsel for the plaintiff to prepare expert report. Case settled before deposition.
- *Houston Police Officers Pension System v. State Street Bank and Trust (2009-2012)*—consulting expert on matters related to disclosure in a case involving subprime mortgage-backed securities. Attorneys: Ropes and Gray, Boston, MA. Retained by counsel for the defendant to prepare expert report. Testified at deposition in May 2010. Case settled before trial.
- *Memorial Hermann Hospital System v. State Street Bank and Trust (2009-2012)*—consulting expert on matters related to disclosure in a case involving subprime mortgage-backed securities. Attorneys: Ropes and Gray, Boston, MA. Retained by counsel for the defendant to prepare expert report. Testified at deposition in May 2010. Case settled before trial.
- *Securities and Exchange Commission v. Rose et al. (2006-2007)*—consulting expert in a case involving manipulation of security prices by traders. Attorneys: SEC Central Regional Office, Denver, CO. Retained by counsel for the plaintiff. Prepared expert report and testified in Federal Court (Houston, TX) in April 2007.

PERSONAL

- Married, two children
- US Citizen
- Foreign languages: fluent in French and Romanian, conversational in Spanish, beginner Italian