

EMMANUEL MORALES-CAMARGO

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EDUCATION

Ph.D. in Finance, The University of Arizona (August 2006)

M.S. in Finance, The University of Arizona (May 2006)

M.S. in Economics, Arizona State University (May 2000)

B.S. In Finance, Northern Arizona University (May 1996, *Summa Cum Laude*)

ACCEPTED PUBLICATIONS

“Case Studies in Personal Finance” (Text Book) The University of Arizona Press
Co-authored and Co-edited with *Peter S. Rose* (Texas A&M)

Final publication pending on review of final manuscript

This book is a collection of cases on a wide array of topics in personal finance and can serve as either the primary or a secondary textbook in a personal finance course. The cases have been designed to exercise not only essential technical skills of the personal finance discipline, but also a wide array of valuable life-skills. By providing a rich set of diverse and highly realistic family scenarios, this book will help students develop complex-problem-solving, research, and learning skills; foster their sensibility to circumstances with intricate human and ethical connotations; and exercise their judgment and creativity.

PAPER UNDER REVIEW

“Restrictions on Allocation Discretion: Evidence from Clawbacks in Hong Kong IPOs”

Abstract: The presence of both restricted and unrestricted, U.S.-style, bookbuilt IPOs in Hong Kong provides enough data to test numerous underpricing models by simultaneously measuring the effects of allocation restrictions on the investment bankers’ price discovery, underwriting, and distribution functions. While clawbacks, a set of restrictions favoring retail investors not participating in the roadshow, result in diminished and more expensive price discovery, they reduce the investment bankers’ dependence on institutional investors to dispose of IPO shares, resulting in lower underpricing. This evidences the importance of the underwriting function, showing that restricting the bookbuilding mechanism can influence underpricing beyond price discovery considerations.

“When a Home is More Than A Home” (Personal Finance Case Study)

Under Review in the Case Review Journal

Synopsis: Gloria and Jerry Manuel, a Native American couple living in the San Xavier District of the Tohono O’odhan Nation, share with Grandma Anita and their three children the ancestral home the Manuel family has occupied for many generations. While Gloria and Jerry have spent their happiest years there, they are now faced with the unfortunate situation of having to leave the house to allow Jerry’s younger brother, Gary, to move back in with his three children. With numerous hurdles to sort out with the district authorities and banks, the Manuels are overwhelmed by the situation and do not know what to do. It seems to them that the only solution available implies their leaving San Xavier, but that prospect raises a lot of internal conflicts that have forced them to re-evaluate the very essence of their cultural identity.

WORKING PAPERS

“Underpricing and Aftermarket Liquidity: An Empirical Exploration of Hong Kong IPOs”

Abstract: This study evaluates the implications of three of the extant IPO models relating underpricing and aftermarket liquidity. Using hand collected data from a sample of bookbuilt Hong Kong IPOs, this study tests the predictions of the aforementioned models by evaluating not only the direction and sign of the theorized relation between these two variables, but also the role played by the shareholder base and information environment factors purported to shape this relation. The public availability of bid and allocation data in the Hong Kong Stock Exchange has made it possible to conduct such an in-depth evaluation of these models, an undertaking not yet attempted by prior empirical research. Test results show little support for models that posit that aftermarket liquidity and

liquidity risk are responsible for higher underpricing. In contrast, I find strong support for models that conceive observed underpricing as a significant driver of post-IPO liquidity.

“Resistance and Support: Technical Analysis Meets Behavioral Finance”

Joint work with *Tong Yao* (The University of Idaho) and *Bing Han* (The University of Texas at Austin).

Abstract: Brock, LeBaron, and Lakonishok (1996) find that two types of trend-chasing technical trading signals – moving averages and trading range breaks -- have significant power to predict the times series returns of the Dow Jones Industry Average index. In this study, we apply these trading strategies on individual stocks and find that moving average rules do not generate any abnormal profits; on the other hand, strategies based on some trading range break rules do have significant power in predicting cross-sectional stock returns, for intermediate horizons of up to one year. We also document return reversal during the first month after both the moving average signals and trading range breaks. We provide an explanation for both the short-term reversal and intermediate term continuation, based on a behavioral bias known as the “law of small numbers” or the “gambler’s fallacy.” After stock prices exceed past extremes, investors believe that prices are more likely to reverse and start trading in the opposite direction of past price movements. Their trading delays the process for information to be fully reflected into prices, thus causing return continuation. Consistent with this hypothesis, we show that return continuation (hence profitability) is stronger for trading rules that generate higher trading activities. These technical rules are also more profitable among stocks with higher trading volume. Finally, using trade and quote data (TAQ), we document strong sell (buy) pressure during the first month after buy (sell) signals.

WORK IN PROGRESS

“Uncertainty and Differential Information in Common-Value, Divisible-Good Auctions”

Joint work with *Orly Sade* (Hebrew University), *Charles R. Schnitzlein* (University of Central Florida), and *Jaime F. Zender* (University of Colorado).

“Institutional Investor Behavior in the Exchange-Traded Fund Market”

Joint work with *Hsuan-Chi Chen* (The University of New Mexico) and *Christine Lai* (Yuan Ze University).

ACADEMIC PRESENTATIONS

“Uncertainty and Differential Information in Common-Value, Divisible-Good Auctions”

- Economic Science Association, Annual Conference (2009)

“Restrictions on Allocation Discretion: Evidence from Clawbacks in Hong Kong IPOs”

- Mid-west Financial Management Association, Annual Meeting (2008)
- The University of New Mexico (2007)
- Financial Management Association, Annual Meeting (2006), *Ranked top-ten percent paper submissions*
- The University of Arizona (2006)
- Sung Kyun Kwan University (2006)
- The University of New Mexico (2005)
- California State University, Fullerton (2005)
- The University of Texas, Pan-American (2005)
- California State University, Bakersfield (2005)

“Underpricing and Aftermarket Liquidity: An Empirical Exploration of Hong Kong IPOs.”

- Desert Finance Conference, Annual Meeting (2008)
- Mid-west Financial Management Association, Annual Meeting (2008)
- The University of New Mexico (2008)
- Financial Management Association, Annual Meeting (2007)
- The University of Arizona (2006)

“When a Home is More Than A Home” (Personal Finance Case Study)

- Fostering Indigenous Business and Entrepreneurship in the Americas Conference (2007)

OTHER SCHOLARLY WORK

PAPER DISCUSSANT

Mid-west Financial Management Association, Annual Meeting (2008)

“Golden parachutes as managerial incentives”

By Jorge Bursa (Texas A&M International), Wayne Lee, and Carole Shook (University of Arkansas)

Financial Management Association, Annual Meeting (2007)
“How banking relationships affect certification: The role of private information in underwriting”
By Tiago Duarte-Silva (University of Rochester)

Financial Management Association, Annual Meeting (2006)
“Short And Long Run Performance Of IPOs In Post-Apartheid South Africa”
By Kasim L. Alli (Clark Atlanta University), Vijaya Subrahmanyam (Mercer University), and
Kimberly C Gleason (Florida Atlantic University)

DISCUSSION SESSION CHAIR

Economic Science Association, Annual Conference (2009)
Session No. 1: Auctions II

Fostering Indigenous Entrepreneurship in the Americas, Annual Conference (2007)
Session No. 3: Education and Indigenous Entrepreneurship

Financial Management Association, Annual Meeting (2007)
Session No. 240: Seasoned Equity Offerings

SERVICE

ACADEMIC JOURNALS REFEREE

Journal of Multinational Financial Management
El Trimester Economico (*Quarterly Finance and Economics Journal - Mexico*)

NATIONAL SOCIETY OF HISPANIC MBAs, New Mexico Chapter

Member of the Advisory Board 08/08 – Present

FINANCIAL INVESTMENT ASSOCIATION, UNM’s Anderson School of Management

Faculty Advisor 08/08 - Present

ASSOCIATION FOR BUSINESS RESEARCH, UNM’s Anderson School of Management

Faculty sponsor and Advisor 08/07 - Present

ACADEMIC EXPERIENCE

THE UNIVERSITY OF NEW MEXICO, Department of Finance Albuquerque, New Mexico

Assistant Professor 08/06-Present

- Coordinated the three classes in the portfolio management class series and taught the capstone course of the series (Spring 2009 – Present)
- Lectured one section of the undergraduate upper-division course of Financial Markets and Institutions and one section of the MBA course Analysis of the Financial System (*Terms: Fall 2006 – Fall 2008*)
- Lectured one section of Financial Management for the Professional MBA program at ASM (*Terms: Spring 2008*)
- Lead instruction of a mathematics, statistics, and finance preparatory workshop for incoming undergraduate and graduate ASM students (*Terms: Fall 2007 – Spring 2009*)

THE UNIVERSITY OF ARIZONA, Take Charge America Institute for Consumer Financial Education and Research Tucson, Arizona

Lecturer and Credit-Wise Cats Educational Advisor 01/03-05/06

- Lectured one section of Personal Finance course at both upper and lower-division levels (*Terms: Every semester since Spring 2003 to Fall of 2005; Average class size: 57 students; Student’s overall rating: 3.6/5.0 over six concluded sections*)
- Contributed significantly to the development of the proposal submitted to the General Education Committee for the approval of the mentioned personal finance course at the Tier 1, lower-division level
- Served as educational advisor and curriculum developer for the Credit-Wise Cats, a non-profit student organization committed to the mission of generating awareness and educating college students on the important subject of personal finance
- Have written over 12 case studies used in the regional and national editions of the 2004 and 2006 annual “Duel in the Desert” personal finance case-study competition. Several of these cases are to appear on a Personal Finance Case-Study textbook, edited in collaboration with *Peter S. Rose* (Texas A&M).
- Nominated for the 2004 University of Arizona’s *Five Star Faculty Award*

UNIVERSITY OF ARIZONA, Department of Finance Tucson, Arizona
Summer Instructor Lectured one section of *Principles of Finance* class at the upper-division level (Terms: Summer of 2001 and 2002; Average class size: 23 students; Student's overall rating: 4.3/5.0 for Summer 2001 and 4.1/5.0 for Summer 2002)

- Lectured Boot Camp for incoming M.B.A. students (Terms: Summer of 2004 and 2005; Average class size: 20 Students)

UNIVERSITY OF ARIZONA, Department of Finance Tucson, Arizona
Research Assistant to Professor Charles R. Schnitzlein 01/01–07/02

- Oversaw the development of a customized computer application for the conduction of treasury securities' auctions
- Conducted experiments for research purposes utilizing the developed auction software

UNIVERSITY OF SONORA, College of Business Hermosillo, Mexico
Lecturer 1/97 - 5/98

- Lectured three upper-division courses on the subjects of Analysis of Financial Statements, Managerial Accounting, and Finance I (Terms: Every semester since Spring 1997; Average class size: 50 students; Student's overall rating: 3.6/4.0 over seven sections)
- Participated in the development of the academic program of the finance major for the College of Business
- Collaborated in an evaluation and redesign program for the College of Business contemplated for the year 2006, covering matters like academic programs, faculty, and infrastructure requirements; all within the guidelines of the Program for Professorship Improvement (PROMEP), promoted by the Mexican Ministry of Education

PROFESSIONAL EXPERIENCE

BARRON CHASE SECURITIES, INC. Phoenix, Arizona
Securities Broker 5/96 –12/96

- NASD Member, Series 7 and Series 63 certified

FIRST INTERSTATE BANK OF ARIZONA Flagstaff, Arizona
Internship, Commercial Bank 1-95 – 5/95

GRUPO BURSATIL MEXICANO INTERNACIONAL Hermosillo, Mexico
Internship, Brokerage Firm 7/93 – 6/94

HONORS, GRANTS AND AWARDS

Curriculum Development Grant / New Mexico Legislature 6/08
Discipline-Specific Large Grant / UNM's Research Allocation Committee 4/08
Outstanding Service Award / ASM's Department of Finance 3/08
Sponsorship / Faculty Development in International Business Program 12/06
Department of Finance / Arizona Foundation Research Grant 6/05
Department of Finance Dissertation Research Grant 3/05
Five Star Faculty Award Nomination 3/05
Department of Finance / Arizona Foundation Research Grant 6/04
PROMEP Scholarship 8/98 to 5/02
University of Sonora Scholarship 8/98 to 5/00
Sonora-Arizona Commission Scholarship 8/98 to 5/00
NAU Finance Faculty Academic Recognition 5/96
NAU Distinguished Scholastic Achievement Award 4/96
The Honor Society of Beta Gamma Sigma 4/96
The Honor Society of Phi Kappa Phi 4/96
Ralph M. Bilby Memorial Scholarship 8/95 to 5/96
NAU International Student Scholarship 8/95 to 5/96
1994 -1995 National Dean's List
NAU Distinguished Scholastic Achievement Award 4/95
Golden Key National Honors Society 1/95
Sonora-Arizona Commission Scholarship 8/94 to 5/96
ITESM Excellence Scholarship 8/89 to 5/94