Dear Alumni,

Last year we wished a well-deserved happy retirement to our valued colleague, Don Seeley. I was worried that the crown jewel of our curriculum would suffer from his leaving. While Don is irreplaceable, my concerns are laid to rest as our Applied Portfolio Management class had another successful year—finishing with a market value above $1 million. Arvind Singh is now teaching the year-long course, with the capable assistance of Matthew Harrison. Matthew took the class under Don Seeley in 2002-03, went on to earn his CFA designation, and now works with Richard Mundinger as a portfolio manager in Tucson. After graduating from the University of Arizona, summa cum laude in 2003, Matthew worked for a hedge fund in San Diego, Northern Trust in Phoenix, and M&I Wealth Management in Tucson, before joining Richard. Richard Mundinger is a long-standing friend of our department.

Arvind Singh has been teaching in our department since 1995. After earning his MBA at the University of Chicago, he worked on Wall Street. His Wall Street career spanned 15 years with the likes of Citibank, and the Brothers Salomon and Lehman. His last position on the street was as a fund manager with Renaissance Technologies Global Hedge Fund in midtown.

This year the students experienced the vicissitudes of a volatile market—which is the optimal environment in which to learn. As an example of a valuable lesson, the class invested approximately $23,000 in a small-cap Chinese stock trading on the Amex. To its utmost surprise, trading was abruptly suspended overnight as the company’s auditors questioned the viability of its financial statements. The class paid $2.10 per share, and as I write the stock is trading on the pink sheets with a $1 bid. The incoming class of Fall 2011 will inherit this position.

The class continues to attract extraordinary external speakers. This past year Stephen Leuthold talked with our students about contrarian thinking for hedge fund management in an uncertain macroeconomic environment. Bill Valentine, one of our alums, talked to the class about ETFs and ADRs as strategic overlays in portfolio management. Don Seeley spoke about accounting abuses and financial statement analysis for prudent investing. I also spoke with the class about the rapidly changing marketplace for financial securities, order placement strategies and execution costs. We are also extremely fortunate to have Bob Kuberek consulting with our students. Bob recently retired as CFO of Wilshire Associates in Santa Monica, and is now an associate of our department. He participates actively with the class—especially on the quantitative side of the fixed income portfolio, and building VaR and attribution models.

Despite the enormous time commitment, demand for this class remains very strong, and next year we expect to have 24 undergraduate students, and we anticipate seven Master’s in Finance and three MBA students. This is the only class in our curriculum with both undergraduate and graduate students. It works because the latter get hands-on experience managing the teams of undergrads in a real-world setting.

Something that we can all be proud of,

Christopher Lamoureux
Diamond Professor of Finance

INSIDE THIS ISSUE

Department Head ............................................................1
Department News ............................................................2
Faculty News ......................................................................2
Undergraduate Student Awards ........................................3
Undergraduate Scholarship Awards ....................................3-4

DID YOU KNOW?
The Finance Department now has almost 9,000 undergraduate and graduate alumni.
The Master’s in Finance program is completing its 10th year with over 200 graduates.
Department News and Numbers

Undergraduate Programs
Approximately 80 sophomores, 141 juniors and 178 seniors are declared finance majors. Thirty-five seniors graduated in December, 2010, receiving bachelor’s degrees. Another 94 were expected to graduate on May 13, 2011. A total of seven finance majors graduated with honors this year.

Master’s in Finance (MMF)
There are currently 34 active students in the master’s program, including one dual degree student. In the specialized tracks of study, 19 are completing both the fixed income and corporate finance tracks, nine are studying fixed income and eight corporate finance. One recent master’s project topic, completed under the supervision of Ph.D. student Laura Cardella, studied the topic: “The Power of News: The Media Effect on Stock Returns.” Graduates from last year’s program were hired as financial analysts by companies such as Credit Suisse in Hong Kong and Clean Energy Capital, LLC in Tucson.


In May 2011, Jordan Neyland completed requirements for his degree. Jordan’s dissertation, “Wealth Shocks and Executive Compensation: Evidence from CEO Divorce,” was supervised by Dr. Sandy Klasa and Dr. Lubo Litov. In Fall 2011, Jordan is joining the University of Melbourne as an assistant professor of finance.

FIN 360, the introductory finance course for all finance, accounting, and business economics juniors in the Eller College. He also coordinates the Finance Department’s research seminar series.

Eric’s research focuses on a variety of issues, including predictability in stock returns and the roles institutional and retail traders play in price formation. In a recently published paper, he demonstrates that stocks with a greater presence of institutional owners have market prices that better reflect their true fundamental values. His current work combines a large proprietary dataset of orders submitted by retail investors with a comprehensive set of stories from the Dow Jones Newswires. He finds that retail investors trade in the same direction as future stock returns, and that when these trades are most aggressive, they also predict the tone of future news stories. That is, when retail investors are aggressively buying a particular stock, future returns are positive and future news stories for that stock have a positive tone. This research utilizes a budding technology known as textual analysis to process the news story data and offers some of the first broad evidence to date suggesting that retail investor trades signal new information that is relevant for firm valuation.

Eric’s papers have been published in the Journal of Finance, the Review of Financial Studies and the Journal of Financial and Quantitative Analysis. In addition, his work has been presented at the American Finance Association (AFA), National Bureau of Economics Research (NBER), Financial Management Association (FMA), Utah Winter Finance, and the Western Finance Association (WFA) conferences as well as in research seminars at a number of universities.

FACULTY NEWS

Ph.D. Program
Three new students began the doctoral program last fall, joining the department from North Dakota, Ji Nan, China (by way of the United Kingdom and Colorado) and Beijing, China (by way of our own Master’s in Finance program). The department currently has twelve doctoral students in the program.

Assistant professor Eric Kelley received his Ph.D. in Finance from Texas A&M University in 2004. After receiving his doctoral degree, he continued at Texas A&M for one year as a Mays Postdoctoral Research Fellow and then served on the faculty at Washington State University in Pullman. He joined the University of Arizona in the fall of 2006. He has taught courses on corporate finance, financial markets, and financial institutions and is currently teaching
Welcome New Faculty Members

Senior Lecturer Thomas Gosnell received his Ph.D. in Finance from Virginia Tech in 1987. Thomas joined the department in 2010, leaving Oklahoma State University where he was an associate professor of finance. His areas of interest include asset pricing, market efficiency, investment analysis, portfolio management and personal finance. He currently teaches undergraduate International Finance, Investments and the new Senior Capstone course, as well as master’s level Investment Analysis and Corporate Financial Strategy.

Assistant Professor Lubo Litov joined the Department in Fall 2010 from the Olin School at Washington University in St. Louis. He obtained his Ph.D. from the Stern School of Business, New York University (Economics, 2005). He is a Fellow at The Wharton Financial Institutions Center, University of Pennsylvania. His research interests cover Corporate Finance, Corporate Governance, International Corporate Finance and Behavioral Corporate Finance.

Lubo’s forthcoming paper in the *Journal of Financial Economics*, “Creditor Rights and Corporate Risk-Taking,” finds that strong creditors have the ability to reduce (equity) value-enhancing risk-taking. In 2008, he was presented with the Reid Award for Excellence in Teaching. Lubo is currently teaching Corporate Financial Problems (FIN 412) for the second semester finance major juniors and Financial Decision Making (FIN 602), a core course for the finance doctoral students.

Advisory Board Thanks Chris Lamoureux

As one of the founding members of the Department of Finance Advisory Board in 2001, I would like to express the Board’s deep appreciation for the excellent leadership by Chris Lamoureux as Head of the Department of Finance for the past 13 years. As Chris steps down from his management responsibilities and devotes more time to teaching and research, his many accomplishments will continue to benefit the Department and all past, present, and future finance students.

Among the many initiatives that Chris championed, several are particularly noteworthy:

- Establishment of the Advisory Board comprised of finance professionals to provide a forum to discuss the Department’s programs, activities and challenges with input from the practicing world of finance. Fundraising, student mentoring, internships, and job opportunities have been key areas of focus.

- Establishment of the highly successful Masters in Finance (MMF) program, which has grown from eight to an expected 50 students in 10 years and attracted exceptional students from all over the world.

- Creation of a Fixed Income Track of study within the MMF program to provide students a concentration in fixed income and fixed income derivative markets and securities, responding to the expansion of this sector in the investment community.

- An increased emphasis on the placement of the Department’s MMF and MBA students, resulting in positions at companies such as BlackRock and PIMCO.

- Establishment of the Applied Portfolio Management class, which provides an opportunity for graduate students and select seniors to manage an equity and fixed income portfolio funded by the University of Arizona Foundation.

- Development of a Business Math curriculum in conjunction with the Department of Mathematics, which meets the specific needs of business majors.

While this partial list is impressive and has truly made a difference, the greatest attribute of Chris’ leadership has been his constant dedication to increasing and strengthening learning opportunities for students.

Thanks Chris!

Don Seeley
Undergraduate Student Awards

Kathleen Roosa was awarded the Outstanding Finance Senior Award for Spring 2011. Kathleen has accomplished many things as a student at Eller College, including achieving a 3.92 cumulative GPA while pursuing a double major in finance and creative writing. She has worked at Raytheon Missile Systems and for two literary companies in New York City. She actively participated in Eller Elite, was the Philanthropy Chair of Eller Elite Phase II and the "Best in the West" event, and was active in other community service activities. Kathleen plans to pursue her dual passions in an E-Commerce graduate program in New York City.

Michael Bernstein was awarded the Finance Department Head’s Award for Academic Distinction for Spring 2011. Michael has strong academic skills demonstrated by his 4.0 cumulative GPA and his classroom success, award of finance scholarships, as well as strong career potential in investment banking. Following graduation, he joined Conso, Inc., a private equity firm in Tucson where he will head the analytical department for commercial operations. Michael is in the process of developing his own venture capital firm, Patina Capital, Inc.

Sara Pagés and Alex Stutz were each awarded a $1,000 Fielding-Singh Award for 2010-11 finance seniors. Sara completed a degree in finance with a 3.83 GPA. She is a CFA Level I candidate in June 2011 and received numerous scholarships while at Eller. She was a member of the Applied Investment Management Program, working on the energy and financials sector teams. Sara has several job offers in Arizona and plans to gain experience in large investment companies before starting her own portfolio management firm.

Stephen Long was awarded the Outstanding Finance Senior Award for Fall 2010. Stephen was a finance major at Eller College and achieved a 3.92 cumulative GPA while working full time and co-founding a family-owned business. Stephen is a U.S. Marine Corps and Iraq War veteran. He was also the 2010 Edward Jones Portfolio Competition Winner. After graduation, Stephen continued his career with Raytheon Missile Systems and plans to attain a position where he can lead and develop others.

Undergraduate Student Scholarships

Established by Keith McKenzie to recognize the accomplishments of his son, Logan McKenzie, the Logan Keaton McKenzie Scholarship recognized Tyler Gardner for his academic ability and dedication to a career in finance. He was also the recipient of the Dahlberg Scholarship and the Dr. Thomas C. Moses Memorial Scholarship. The Moses Scholarship is especially meaningful to the department as it honors our colleague Tom Moses, who was deeply committed to student success. Tyler majored in finance and entrepreneurship with honors. He is interested in investments and real estate investment.

Aleksey Chernobelskiy, Maria Billias and Dominick Ricci were the recipients of the William J. Sheoris Scholarship. Aleksey is completing majors in finance, accounting, economics and mathematics, and will graduate in May 2012. He plans to join a doctoral program in business economics following his graduation. Maria is a double major in finance and business management. She is passionate about international finance and anticipates joining a doctoral program in international management and social entrepreneurship.

Dominick Ricci, the third recipient of the Sheoris Scholarship, is also the recipient of the Ned Zolman and Dahlberg Scholarships. He completed a double major in finance and accounting. Dominick plans to obtain a CPA license and begin his career with a large public accounting firm.

The Virginia and Mark H. Kloster Memorial Scholarship was awarded to Veronica Quiñones (not pictured), a finance major. Veronica is entering the Master’s in Finance program at Eller College in Fall 2011 and expects to work in banking after completing her degree.

The recipients of the Joseph and Mary Caicoppo Scholarship in Business this year were Emmanuil Kandinov, Kyle Legdie, and William Joyner. Emmanuil also received the Weiler Scholarship and plans to work in investment banking before returning to school for a graduate degree program. Kyle was also the recipient of the Samuel H. Woods/Roy H. Long Realty Scholarship and Commissioned as a Second Lieutenant in the United States Marine Corps following graduation.

Through the generosity of Gerald and Dolores Olney in memory of their son, Michael Shawn Olney, the department awarded a second scholarship to William. He is currently a member of the U.S. Air Force Reserves and is beginning his business career in the Financial Leadership Development Program at Raytheon Missile Systems.

Nathan Gilreath was the recipient of the The A.C. Simon Foundation scholarship, created in memory of A.C. and Bernice P. Simon, long-time residents of Tucson. Nathan completed his finance degree in December 2010. He plans a successful career in the U.S. Marine Corps, where he has already received a number of awards, including the Navy and Marine Corps Achievement Medal.

The generous donations of Glen Stickler and Steven Soboroff allowed the department to award Michael Bernstein the Stickler and Irving E. Soboroff Scholarships. He was also the third recipient of the Dahlberg Scholarship.

Lawrence J. Robbins (’62) donated funds for scholarships to upper division finance majors pursuing careers in real estate and finance. This year’s recipient was Kenneth Jackson. He graduated in May 2011 and is a Commissioned Marine Officer.

Ravid Hazi received the Joseph K. Eichenbaum Scholarship, established by Steven Soboroff to recognize the accomplishments of a finance major. He completed a double major in finance and accounting. Ravid expects to start his career in a large financial institution before continuing his education.

The Boeing Company sponsored two scholarships, awarded to finance majors Brian Rapoport and Corey Galbraith. Corey will graduate in May 2012 with a major in finance and plans a career as a financial planner.
Throughout the year, our alumni, donors, staff, faculty, students, and corporate partners contribute to the Eller College. These generous partnerships and commitments help us strengthen our mission, achieve excellence, and educate students.

As the College continues to advance and grow, we hope you will make a commitment to invest in the future of the Department of Finance.

Your gift provides opportunities for our students and faculty that would not otherwise be available. For more information, or to make your pledge online, visit www.InvestinEller.com. (Please be sure to select “Other” under “Designation” and type in "Finance Department" to ensure that your online gift is delivered correctly.)

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