Greetings from the Eller Finance Department!

I am the new Finance Department Head having arrived last July. I’ve had the pleasure of meeting many of you over the past months and look forward to connecting with others in the future.

It’s been a time of change—new UA President, new Eller College Dean, new Department Head (and even a new football coach). I’d like to take this opportunity to provide you with an update.

The department has made, and is in the process of making, a number of exciting changes including:

• Starting a new Investment Management Track for the Master’s in Finance program.

• Applying for official CFA (Chartered Financial Analyst) recognition for both the undergraduate program and the Master’s in Finance program.

• Adding a new undergraduate course in Excel-based financial modeling.

• Adding two new graduate courses—Portfolio Theory and Financial Statement Analysis.

• Starting “Career Immersion Day” – a program that brings in finance professionals from a number of areas to meet with students about careers in finance (our first event was in January). We will be holding finance career immersion days every semester going forward (and please let me know if you would like to participate).

• Adding a professional development course for finance undergraduates.

• Moving from a single Bloomberg terminal to 10 terminals in the Eller College. This academic year we had over 50 students earn their “Bloomberg certification.”

In short, it’s a dynamic time at the University of Arizona, the Eller College, and the Finance Department.

Your comments and suggestions are always welcome.

Go Cats!

Rick Sias
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If you would like to help—internships, student placements, guest speaking, participating in career immersion day—please feel free to reach out to me directly (contact details to the left).

In addition, if you would like to help out financially—we now have the ability to donate via credit card directly on website: finance.eller.arizona.edu/invest/
• Regan Holliday joined the department in May, 2011 as the new department Administrative Associate. She began her career with the University at the Steward Observatory in 2007.

• Kay Ross was promoted to Director, Graduate Programs and Academic Affairs, having worked with students in the department for over eight years.

Eric Brady, FMA Student Chapter President, presents a gift to Warren Buffett during the recent trip to Omaha, Nebraska.

STAFF NEWS

BENEFAC TORS

Thank you to all of our alumni and friends who have supported the Finance Department, Eller College and The University of Arizona with donations. The Department directly raised over $145,000 so far in Fiscal Year 2011-12 to support students and faculty.

We thank the following individuals for their contributions to support departmental operations:

PLATINUM
($5,001 or more)
Susan Butler
Daniel Fapp
Kevin Kneafsey
James & Gail Peyton
Mark Schlossberg
Charles & Kerry Tyler

GOLD
($1,001–$5,000)
Vinnie Badinehal
Arvind Singh & Cynthia Fielding-Singh
Jay Stein

SILVER
($501–$1,000)
Jianghong Zhao

BRONZE
(up to $500)
Chad & Dena Becker
Aaron Caton
CFA Society of Nevada
Jaimie Lee
Microsoft Corporation
Justin Schwab
Tucson Chapter Committee of the Phoenix Society of Financial Analysts
Tucson Society of CFA Institute
Phyllis Wason
Alexander Wilson
“I am a fifth generation Arizonan. My great-great grandmother was born in Tucson when it was still a part of Mexico.”

In May 2012, after completing her double major in finance and marketing with a minor in Spanish, Amanda Wacker starts her career as a Global Investment Research Analyst with Goldman Sachs in Salt Lake City, Utah. She will be in charge of research for one industry and will propose investment recommendations in that industry. Wacker expects to use her skills in accounting, valuation, financial modeling and writing.

What is unique about Amanda? Here are some of her favorites:

1. Movie: “Remember the Titans” and “Titanic”
2. Food: Anything chocolate!
3. Sport: Football
4. Books: Water for Elephants, Memoirs of a Geisha, Harry Potter series, Hunger Games... “Too many to count, I love to read!”
5. Experience: Being in Madrid when Spain won the Soccer World Cup
6. Finance Class: FIN 422 Risk Management with Dr. Jiang
7. TV Shows: “Keeping Up with the Kardashians” (“I know it’s bad!”)
8. Hobbies: Yoga and hiking
10. Part of Eller: “The opportunity to meet successful and driven students that have been influential in pushing me to reach my fullest potential.”
Mark shared 12 things that make him, him:

1. Eight years of involvement with the Boy Scouts of America helped shape my outlook.
2. As a child, I loved to read the Goosebumps series books, especially A Night in Terror Tower.
4. I like to watch documentaries. Exit through the Gift Shop and Art & Copy are two of the best documentaries I have recently seen.
5. My favorite quote is “How you do anything is how you do everything.”
6. I had a summer internship in Russia working on a project with Russian Olympic Team in preparation for the 2006 Winter Games in Turin, Italy.
7. I moved to the U.S. with my family and entered the third grade without being able to speak or understand English.
8. My favorite sport when I was younger was roller hockey.
9. I am a big fan of Arizona and Kansas college basketball.
10. My favorite TV show as a child was “Saved by the Bell.”
11. My favorite professional football team is the Denver Broncos.
12. One thing I really want to do someday is learn how to fly a plane.

Scott Cederburg joined the Finance department as an Assistant Professor in the fall of 2011 after earning his Ph.D. from the University of Iowa. He currently teaches Risk Management and Derivatives at the undergraduate level and Dynamic Asset Pricing Theory in the Ph.D. program.

While growing up on a farm in small-town Nebraska, Cederburg developed a strong love for Nebraska football and an initial spark of interest in finance. Both attractions strengthened as an undergraduate at the University of Nebraska. Cederburg attended all but four football games (home and away) over a four-year period, but still managed to find time to study between road trips. Football Saturdays are still circled on Cederburg’s calendar, and he enjoys influencing his young nephews and nieces to develop into young Cornhuskers.

Throughout his studies, Cederburg’s interest in finance grew, which led to his decision to pursue a Ph.D.. He subsequently attended the University of Iowa. “I was lucky enough to come into the Ph.D. program with a strong cohort of great people. We pushed each other academically, but we definitely had a lot of fun along the way.” It is safe to say that Cederburg has not regretted his decision to enter academia. “Research keeps you at the edge of the field, and you continually have to learn new skills and think deeply to get to the answers for the questions you want to ask. I have a genuine interest in learning the answers to those questions and the process of learning and thinking about them keeps me interested on a daily basis.”

Cederburg focuses primarily on asset pricing and portfolio choice in his research. He has worked to develop new methods to overcome difficulties in testing asset-pricing models such as the Capital Asset Pricing Model (CAPM). In a recent paper, Cederburg finds that a long-standing belief that exposure to market risk is under-rewarded may be overstated. Accounting for time-varying exposures to risk reduces or eliminates this evidence against the CAPM. Another topic of Cederburg’s research is the effect of time variation in expected economic growth on optimal portfolio choice. While stocks are often pitched as an ideal investment for investors with long horizons, Cederburg’s research shows that the apparent benefits for long-horizon investors are reduced by the possibility of prolonged stagnation in the economy. Investors (even those with very long horizons) should thus take less aggressive positions in stocks than they otherwise would.

Cederburg has enjoyed his time in Tucson thus far. An escape from the Iowa snowfall was welcome, and he has found an interest in the outdoor activities that Tucson offers. Above all, Cederburg appreciates the connections he has made with his new colleagues in the Finance department. “It is a perfect situation to be surrounded by great colleagues who are also great people to be around in day-to-day life.”
Kevin Kneafsey, Ph.D.—Finance (UA 1999), is a department Advisory Board member. He is currently lead portfolio manager of the Market Advantage fund at Blackrock in San Francisco. The fund’s goal is to provide balanced exposure to rewarded risks while managing market extremes—delivering equity-like returns at two-thirds the risk.

“When at the UA,” Kneafsey said, “I loved the ability to balance my life. I was able to work very hard on learning finance and economics while playing judo and water polo and running in the Tucson desert. Probably the single biggest training I got at the UA was in presentation skills. During my 5+ years in the doctoral program, I taught virtually every semester and summer and learned a lot about how to communicate complicated ideas.”

When asked to share something people wouldn’t expect, Kneafsey revealed that he would like to live homeless for one year. “I was touched as a kid by the book *Black Like Me* about a white man who dyed his skin black to live like a black man and better understand the racial problems in the 1960s in the U.S. He risked his life to learn about and to help other better understand and thereby resolve this problem.

“I believe to help improve the plight of the homeless it will help to understand the problem from their perspective.”

Kneafsey is a generous supporter of UA and the Finance Department. His primary motivations for giving are:

- **Education.** “I believe that education is incredibly empowering. I believe that learning helps build self-confidence and makes people better and stronger. I am particularly interested in homelessness and belief that a good education is a powerful bit of preventive medicine to homelessness.”

- **Chris Lamoureux, former Department Head.** “During the short overlap between Chris’s arrival and my departure for a job in investments, Chris and I hit it off. He cared about me and what I was doing and learning. He really cared (and still does) about the students and the quality of the program. That had a positive impact on me.”

- **Program Reputation.** “I have a dream of seeing the UA Finance program move from being just another generic state college finance program to being an exceptional and focused Finance program that draws select students and faculty to the UA.”

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**DOCTORAL: Laura Cardella**

“I read *The Power of Positive Thinking*, by Norman Vincent Peale, a lot in the last five years.”

Finance doctoral student Laura Cardella defended her dissertation in April 2012 and will start as Assistant Professor of Finance at Texas Tech University this summer. Her dissertation researched credit risk and inter-firm dependence.

On the first day of classes when she started the program, Cardella met and since married her husband and fellow doctoral student (Eric Cardella, Economics).

She shared more about herself and what makes her unique:

1. I am a second-generation American of German heritage.
2. I love the climate in Tucson and cannot stand being cold.
3. I enjoy working with children in Sunday school.
4. I love this quote: “The purpose of life, after all, is to live it, to taste experience to the utmost, to reach out eagerly and without fear for newer and richer experiences.” Eleanor Roosevelt
5. I have a goldfish named Pete because I am allergic to most pets.
6. I really enjoy gardening but am surprisingly bad at it.
7. I own a pair of cowboy boots.
8. Magnolias are my favorite flower.
9. I may be one of the few remaining people who does not own a smart phone.
10. There’s nothing like a good burger at the end of a long day.
11. I think ranch dressing goes with just about everything.
12. There is no place like home.
13. I sing Christmas carols all year long.
14. I enjoy art history, and have a particular fondness of works by Picasso.
15. I know how to polka and waltz.
16. My dad never wins an argument with me, even when he is right.
INVEST IN FINANCE

finance.eller.arizona.edu/invest/

Your commitment to invest in the future of the Department of Finance helps us advance and grow. Contributions may be made to the Department Discretionary Fund and the Don Seeley Fund for Excellence in Finance.

Your gift provides opportunities for our students and faculty that would not otherwise be available.

ALUMNI NEWS

Tell us what’s new with you!

We appreciate hearing your news – on your work, family and adventures.

You can bring us up to date on your activities by emailing us at financeinfo@eller.arizona.edu.