

- CONTACT INFORMATION Finance Department
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- WEBSITE <https://fnce.wharton.upenn.edu/profile/annadc/>
- EDUCATION **The Wharton School, University of Pennsylvania**
Ph.D. in Finance, expected 2018.
COMMITTEE: Erik Gilje, João Gomes (Co-Chair), Richard Herring,
and Michael Roberts (Co-Chair).
- University of Pennsylvania**
B.A. in Economics & Mathematics, magna cum laude, 2009.
- RESEARCH INTERESTS Empirical Corporate Finance, Banking, Housing and Consumer Credit, Macro-Finance.
- PUBLICATIONS Caplin, Andrew, **Anna Cororaton** and Joseph Tracy, “Is the FHA Creating Sustainable Homeownership?”, *Real Estate Economics*, Vol. 43, Issue 4, 2015, 957-992.
- We produce first estimates of the sustainability of homeownership for recent Federal Housing Administration (FHA) borrowers. Unfortunately, the FHA does not produce its own statistics on sustainability. Neither does it permit researchers access to its data on internal refinances. This imposes significant barriers to entry for researchers who wish to track FHA borrower performance over time. We carefully construct the required tracking data to overcome this barrier. We forecast that no more than 75 percent of the 2007-2009 vintages of FHA borrowers will be able to successfully exit the FHA system. Our work raises questions about FHA’s role, its accounting and its accountability.
- RESEARCH PAPERS **“The Impact of Firm Objectives on Lending: Banks and Credit Unions in the Great Recession” (Job Market Paper).**
- I show that the non-profit maximizing objective of credit unions enabled them to lend significantly more than profit-maximizing banks during the Great Recession. Loan growth rates were higher for credit unions by as much as 10 percentage points at the peak of the crisis. Using a newly constructed database containing balance sheet information and loan-level activity, I compare institutions that faced identical borrowers in the same local credit markets and control for crises exposures to show that the effect is supply-driven. Further, the lending difference was sustained by lower profit margins. Loan pricing, informational advantages, taxes, or the regulatory environment do not explain the results. Rather, the non-profit objective implied by a cooperative ownership structure insulated the \$1.3 trillion credit union industry from the slow economic recovery after the financial crisis.

“Liquidity Risk and Bank Stock Returns” with Yasser Boualam.

Winner of Irwin Friend Doctoral Fellowship (Best Third Year Paper)

Presented at North American Summer Meeting of the Econometric Society (2017)

We document that higher measures of liquidity risk on bank balance sheets are associated with lower expected stock returns. We first calculate a measure of liquidity risk, referred to as the liquidity gap (LG), which measures how much of a bank’s volatile liabilities are covered by its stock of liquid assets. We show that the usual CAPM and Fama-French factor models do not fully explain the cross section of returns sorted according to this measure. A portfolio that is long in high liquidity risk banks and short on low liquidity risk banks delivers a statistically significant alpha of 6 percent annually. This effect is not driven by bank characteristics such as size, leverage or profitability, and appears to be driven solely by bank complexity.

WORK IN
PROGRESS

“Shadow Banking and the Real Economy” (Draft available upon request)

This paper compares traditional banking to shadow banking based on the type of security that funds the sector: money funds the former while money-like liabilities fund the latter. Using a parsimonious two-sector model of non-balanced growth that captures structural changes, I measure the relative productivity of the two sectors over time. Productivity of the shadow banking sector started at around 0.6 relative to traditional banking in the 1960’s, and peaked to 1.2 starting in the 2000’s. While it has fallen slightly since the recent crisis, shadow banking remains more productive relative to traditional banking. I also show that growth in money-like liabilities lag growth in output, contrary to the well-known leading relationship between traditional monetary aggregates and output growth.

SHORT
ARTICLES

Sahin, Aysegul, Sagiri Kitao, **Anna Cororaton** and Sergiu Laiu, “Why Small Businesses Were Hit Harder by the Recent Recession”, *Current Issues in Economics and Finance*, Vol. 17, No. 4, 2011.

Peach, Richard, Robert Rich and **Anna Cororaton**, “How Does Slack Influence Inflation?”, *Current Issues in Economics and Finance*, Vol. 17, No. 3, 2011.

TEACHING
EXPERIENCE

Teaching Assistant, The Wharton School, University of Pennsylvania.

Macroeconomics and the Global Economic Environment (MBA, Executive MBA), Prof. Andrew Abel and Prof. Stephen Meyer, 2015, 2016.

International Banking (MBA, Undergrad), Prof. Richard J. Herring, 2015, 2016.

Quantitative Methods in Macro-Finance (PhD), Prof. João Gomes, 2014, 2015.

Investment Management (MBA, Undergrad) Prof. Robert Stambaugh and Prof. Donald Keim, 2014, 2015.

Author and Consultant, Monetary Policy Primer and Case Studies for High School Fed Challenge, Federal Reserve Bank of New York, 2016.

RELEVANT
POSITIONS

Assistant Economist, Federal Reserve Bank of New York, 2009-2012.

Research Intern, Federal Reserve Bank of Richmond, 2008.

Research Intern, Securities and Exchange Commission, 2007.

FELLOWSHIPS,
HONORS,
AND AWARDS

Jacobs Levy Equity Management Center for Quantitative Financial
Research Grant, 2015, 2017.
Irwin Friend Doctoral Fellowship in Finance (Best Third Year Paper), 2016.
Wharton Doctoral Travel Grant, 2016.
Rodney L. White Center for Financial Research Grant, 2015.
Dean's Fellowship for Distinguished Merit, Wharton School, 2012-2016.
Dean's List, University of Pennsylvania, 2008-2009.

REFEREEING
ACTIVITY

Journal of Monetary Economics, Economics Letters.

CONFERENCE
PARTICIPATION

North American Summer Meeting of the Econometric Society, 2017.
Wharton-INSEAD Doctoral Consortium, 2016.

WORKSHOPS

MIT Capital Markets Research Workshop, 2015.
Princeton Initiative: Macro, Money, and Finance, 2014.

CITIZENSHIP

USA, Philippines

LANGUAGES

English (native), Tagalog/Filipino (native)

REFERENCES

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