

# Elisa Pazaj, CFA

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<b>Address</b>	Cass Business School 106 Bunhill Row London, EC1Y 8TZ	<b>Mobile Phone</b>	+44 (0) 7873 809347
		<b>Email</b>	Elisa.Pazaj.1@cass.city.ac.uk

## Education

2015 - Present	Cass Business School, City, University of London PhD in Finance (expected)
August 2017	PhD coursework at Ross School of Business, University of Michigan (structural estimation module taught by Toni Whited and Luke Taylor)
2011-2012	Imperial College Business School, Imperial College London MSc. Finance, with Distinction
2008-2011	Cass Business School, City, University of London BSc. Banking and International Finance, First Class Honours

## Research Fields

Asset Pricing, Empirical Corporate Finance.

## Research papers

**“The Value-Momentum Correlation: An Investment Explanation”** (Job Market Paper).

Overview: This paper shows that both value and momentum premia arise in a  $q$ -theoretic framework that considers optimal corporate policies under uncertain financing conditions. A higher marginal cost of financing explains why value firms are riskier than growth and why winners are riskier than losers. Changes in the cost of financing over the business cycle allow the model to reproduce many empirical features of value and momentum premia, such as: (i) the procyclicality of the momentum premium, (ii) the countercyclicality of the value premium, and (iii) the negative correlation between the two. The model implies a series of new testable predictions that link value and momentum to fundamentals. The empirical evidence shows that the levels of investment and external financing of value and momentum firms are in line with the model predictions.

**“Time-varying exposure to permanent and short-term risk and stock price momentum”** (working paper).

Overview: This paper shows that the temporary nature of the profitability of momentum strategies relates to the combined effects of short-term and permanent shocks to cash-flows. In a simple liquidity management model that accounts for both types of shocks, firm risk is persistent but not indefinitely so. Momentum strategies involve the purchase of winners which are temporarily high mean securities, and the sale of losers, temporarily low mean securities. The empirical evidence shows that time-varying risk goes in the right direction in explaining the returns to momentum strategies.

**“Market-implied equity issuance costs”**, with Mamdouh Medhat and Enrique Schroth (work in progress).

Overview: Existing literature measures the cost of issuing equity using low frequency accounting data from Compustat or specific databases with limited coverage. This paper proposes an alternative measure, motivated by Fama and French (2005), but based on the daily variation in outstanding equity from CRSP. The usefulness of this measure lies in its ability to capture each issuance and relate it to its associated price reaction. The Bolton, Chen and Wang (2013) model serves as the basic set up for the structural estimation. The project is currently at the final estimation stage.

## Conference and Workshop Presentations

2018 - 2019: Showcasing Women in Finance, EFA Doctoral Tutorial, 6<sup>th</sup> Emerging Scholars Conference, EFMA Doctoral Seminar, Queen Mary PhD Workshop, Global Finance Association Conference, Annual Conference on Corporate Policies and Asset Prices (Discussant)

## Teaching Experience

2015 - Present Cass Business School, City, University of London

I have worked as a Teaching Assistant for the following modules:

- Fixed Income and Credit Risk (Third year undergraduate and Masters level)
- Derivatives and Risk Management (Masters level)
- Foundations of Finance (Masters level)
- Bond and Equity Analysis (Masters level)
- Fixed Income, Currency and Derivatives (Masters level)
- Corporate Finance (Undergraduate level).

## Additional Experience

2017 - 2018 Cass Business School, City, University of London

Research assistant for Dr Giacinta Cestone.

2012 – 2015 Bank of Albania

Monetary operations department specialist.

- Analysed developments in the primary and secondary market for treasuries making use of the relevant market data as well as contacts with key market players.
- Worked collaboratively with Ministry of Finance staff as part of the auction committee for the issuance of Treasury bills and bonds. Performed sovereign debt sustainability analysis aimed at assisting the Ministry of Finance in the development of their debt issuance strategies.
- Participated in the project for the implementation of the central securities depository system of the country. Provided training for central bank staff, banks and institutional investors.
- Conducted research on bidder behaviour in the primary market for treasuries in Albania. Presented at several central bank research conferences.

## Skills

Matlab, Stata, E-Views, PcGive/OxMetrics, L<sup>A</sup>T<sub>E</sub>X, Microsoft Office;  
Bloomberg Professional, Thompson Reuters Datastream;

## Languages

Native Albanian, Proficiency in English, Intermediate level Italian, Beginner level German

## Awards, Achievements and Certifications

Chartered Financial Analyst (CFA) Charterholder, August 2018  
Best paper award on PhD Research Day at Cass Business School, 2017  
Cass Business School PhD Scholarship 2015 - 2019  
Debt Sustainability Analysis Certificate, International Monetary Fund, 2014  
BetaGammaSigma award for academic excellence 2011  
Cass Business School Scholarship for outstanding academic achievement 2010

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