Curriculum Vitae – Fall 2021

Family name: Wolfskeil
Given name: Isabella
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Qualifications

Bocconi University, Italy   Sept. 2016 – Jan 2022 (scheduled)
PhD Economics and Finance

University of Florida, USA   Sept. 2015 – May 2016
MSc Finance, 1 year
Cum laude

University of Florida, USA   Sept. 2012 – May 2015
BSc Finance, 3 years
Cum laude

Research Interests

Finance, belief formation, information economics, asset pricing

Working Papers

Tweeting in the Dark: Corporate Tweeting and Information Diffusion

Is there a link between corporate information dissemination on social media and valuations? Are social media reshaping the diffusion of corporate information? After constructing a novel and comprehensive dataset of over 7 million tweets posted by S&P 1500 firms, I adopt text analysis methods and find that firms with negative earnings surprises have higher announcement returns if they tweet about earnings news. This result is concentrated among firms with lower institutional ownership and larger social media networks. I also find evidence that firm-initiated tweets increase the speed of information diffusion to investors. The findings are consistent with firms managing investors' valuations.

When the Markets Get CO.V.I.D: COntagion, Viruses, and Information Diffusion

With M. J. Arteaga-Garavito, M. M. Croce , P. Farroni

We quantify the exposure of major financial markets to news shocks about global contagion risk accounting for local epidemic conditions. For a wide cross section of countries, we construct a novel data set comprising (i) announcements related to COVID19, and (ii) high-frequency data on epidemic news diffused through Twitter. Across several classes of financial assets, we provide novel empirical evidence about {financial dynamics (i) around epidemic announcements, (ii) at a daily frequency, and (iii) at an intra-daily frequency.} Formal estimations based on both contagion data and social media activity about COVID19 confirm that the market price of contagion risk is very significant. We conclude that prudential policies aimed at mitigating either global contagion or local diffusion may be extremely valuable.

Publication

Cover your assets: non-performing loans and coverage ratios in Europe (Economic Policy)

With L. Alessi, B. Bruno , E. Carletti, K. Neugebauer

We analyse the determinants of coverage ratios and their components [nonperforming loans (NPLs) and loss loan reserves] in a large sample of European banks. We find that bank-specific factors, particularly credit risk variables (including forward-looking indicators) and capitalization, matter the most. Coverage ratios

adjust insufficiently as asset quality deteriorates, except in high-NPL banks. Capitalization has a positive effect on coverage ratio, pointing to a complementarity between the two buffers. At the country level, specific macroprudential levers and developing NPL secondary markets enhance coverage ratios. Our findings emphasize the importance of micro oversight and call for more stringent macro policies in high-NPL countries.

Work in Progress

Ownership and Risk Taking in Banks
With E. Carletti, A. Ellul, A. Manconi

This paper provides empirical evidence on the effects of both outside and inside ownership on bank risk-taking and performance. Much of the analysis in this paper focuses on inferences based on instrumental variables (IV) approaches. To implement our IV approach we build a new database of enforcement actions and consent orders against banks to isolate the exogenous change in ownership and to examine whether ownership structure affects bank risk. We focus on ownership changes around enforcement action announcements and investigate the classic conflicts between bank managers and diversified owners.

Awards and Scholarships

AFA PhD Student Travel Grant for ASSA 2020 Annual Meeting	2020
Graduate Tuition Fellowship, Bocconi	2016 – 2019
Dean's List and Florida Bright Future's Scholarship	2012 – 2016

Teaching

Bocconi University
- Applied Numerical Finance (MSc, Fall 2018)
- Financial Markets and Institutions (BSc, Fall 2018 and Spring 2019)

Presentations

2021: EDGE Jamboree 2021; EEA-ESEM 2021 (co-author presenting); Banca d'Italia and Federal Reserve Board Joint Conference on Nontraditional Data & Statistical Learning; The Rimini Centre for Economic Analysis Money-Macro-Finance Conference (co-author presenting)

2020: Annual IMF Research Conferences; Economic Policy Panel Meeting; AFA PhD Poster Session (San Diego, California)

2019: AFFECT Showcasing Women in Finance (Luxemburg); EAA Doctoral Colloquium (Larnaca, Cyprus)

Other Academic Activities

Financial Theory Group Summer School, (Philadelphia, USA)	July 2019
Natural Language Processing in Financial Markets Workshop, Center for Financial Reporting and Auditing ESMT, (Berlin)	Nov. 2018

Work Experience

Citi Bank, NYC Global Investment Lab Internship	June –Aug. 2015

Language Skills
English (native language)

IT Skills
- Python, Stata, Latex (excellent)
- Matlab, Word, Excel, Power Point (good)
- SQL, R (basic)