

Alexander B. Ferko

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EDUCATION

Ph.D, Finance

Michigan State University, East Lansing, MI

May 2018 (expected)

Master of Business Administration, Finance

Michigan State University, East Lansing, MI

May 2014

Bachelor of Arts, Finance

Michigan State University, East Lansing, MI

December 2010

TEACHING EXPERIENCE

Instructor

Financial Management (300 Level)

2015, 2016

Advanced Business Finance (400 Level)

2016

Entrepreneurial Finance (400 Level)

2016

Rating: 4.0

Teaching Assistant

Introduction to Investments

2014, 2015, 2016

Advanced Business Finance

2015, 2016, 2017

Entrepreneurial Finance

2015

Working Papers

• **Post Traumatic Fund Flows: Financial Decision Making Under Stress**

Job Market Paper

Abstract: I study how elevated levels of stress and PTSD related symptoms affect investors decision making processes, as psychological stress can reduce investors ability to concentrate and acquire new information. I use a series of nationally reported traumatic disaster events to identify periods of elevated stress and study the subsequent effects on mutual fund flows and fund manager performance. I find that, following these events, highly visible mutual funds receive a greater proportion of fund flows. I also find that that own information sensitivity is reduced during elevated periods of stress especially among retail investors. Using a geographic proximity matching approach to capture variation in the level of exposure to stressful events, I find geographically close managers underperform over the subsequent 60 days following the initial event. These results highlight the importance of psychological stress on financial decision making ability.

- **Swayed by Sweet Talk? Textual Analysis of Index Fund Prospectuses**

With Xing Huang and Hayong Yun

Abstract: We study the impact of the linguistic contents of prospectuses on investor demands. Passive index funds, despite having identical returns, have large variation of fund flows that are correlated with word contents of prospectuses. Especially, unsophisticated broker sold funds and non-ETF sold funds are positively related to sentiments despite having higher expense ratios. The economic magnitude of word-content bias is substantial: funds with strong sentiment-worded prospectuses begets 0.3477% increase in monthly fund flows for 1% change in sentiments (\$3.86 million at mean broker fund size) for unsophisticated broker sold funds. In contrast, sophisticated ETF sold funds respond negatively to avoid expensive funds with strong-sentiment prospectuses. Findings from an online survey suggest that word contents of prospectuses rather than implicit contractual features drives the diverging prospectus selections of financially sophisticated and unsophisticated investors. Our results highlights the importance of non-price factors, such as the presentation of financial information, in investors investment decisions.

PROFESSIONAL EXPERIENCE

Detroit Non-Profit Projects, Consulting

May - September 2013

Homeless Action Network Detroit, Detroit, MI

- Performed and reported to the board of directors due diligence on a merger between Detroit(\$25M Budget) and Wayne County(\$3M Budget) continuums of care.

Michigan Science Center, Detroit, MI

- Modeled and projected \$200k of special event rentals for the facilities 2014 planning and created processes for ongoing evaluation of the facility rentals.

Legacy DMC, Detroit, MI

- Analyzed and created methodology to determine the impact of Vanguard Health Systems charity care policies on healthcare for the medically indigent and uninsured
- Evaluated the strategy and impact of the \$4.3B acquisition of Vanguard Health System by Tenet Healthcare on commitments made to the state of Michigan for board of directors and attorney generals office.

Henry Ford Health System, Detroit, MI

Financial Analyst

May 2010 – July 2012

COMPUTER SKILLS

Experienced in Python, R, Stata, Microsoft Excel, VBA

DISSERTATION COMMITTEE

Zoran Ivkovich (Chair)

MSUFCU Endowed Chair in Financial Institutions
and Investments
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Xing Huang

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Washington University in St. Louis
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