

DENIZ KEBABCI
CURRICULUM VITAE

UNIVERSITY OF CALIFORNIA, SAN DIEGO

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DATE OF BIRTH: 12/27/1978 **GENDER:** Female **CITIZENSHIP:** Turkey-F1 Visa

EDUCATION:

2003-present	Ph.D. in Economics, University of California, San Diego
2001-2003	M.A. in Economics, University of California, San Diego
1997-2001	B.A. in Economics, Koc University (Turkey)
1997-2001	B.A. in Business Administration, Koc University (Turkey)
July-September 1999	Universite de Paris-Sorbonne (France)

DISSERTATION:

THESIS TITLE: Essays on Portfolio Choice with Bayesian Methods

EXPECTED COMPLETION DATE: June 31 2007 (or earlier)

THESIS COMMITTEE AND REFERENCES:

Allan Timmermann UC, San Diego Department of Economics 9500 Gilman Drive La Jolla, CA 92093-0508 (858) 534-4860 atimmerm@econ.ucsd.edu	Bruce Lehmann UC, San Diego IR/PS 9500 Gilman Drive, La Jolla, CA 92093-0519 (858) 534-0945 blehmann@ucsd.edu	Graham Elliott UC, San Diego Department of Economics 9500 Gilman Drive La Jolla, CA 92093-0508 (858) 534-4481 gelliott@econ.ucsd.edu
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DESIRED RESEARCH:

Primary Fields: Applied Finance, Applied Econometrics

Secondary Fields: Theoretical Finance, Financial Economics, Macroeconomics

DESIRED TEACHING:

Primary Fields: Finance, Econometrics

Secondary Fields: Financial Economics, Macroeconomics

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WORK EXPERIENCE:

TEACHING EXPERIENCE:

Primary Instructor: Fall 2006 (present): Econ 2, Elements of Economics II, UCSD
Summer 2006: Econ 2, Elements of Economics II, UCSD
Summer 2005: Portfolio Choice and the Stock Market, Summer Discovery, UCSD

Teaching Assistantships:

2002-2006: Econometrics (120A, 120C), Corporate Finance, Financial Accounting,
Microeconomics, Decisions under Uncertainty, Law and Economics,
Economic History of the U.S., UCSD
2000: Microeconomics, Macroeconomics, Koc University (Turkey)

NON-TEACHING EXPERIENCE:

Research Assistantships:

Winter 2005 R.A. for Michael Noel, UCSD
Fall-Spring 2000 R.A. for Mine Aksu & Celal Aksu, Koc University (Turkey)
Summer 2000 R.A. for Mine Aksu, Koc University (Turkey)

Other:

April-present 2006 Internship at Nicholas Applegate Capital Management, San Diego
2003-2005 Editor for AWPE (Abstracts of Working Papers in Economics)
Jan-Feb 2000 Internship at San Menkul Degerler A.S., (Investment Company, Turkey)
Jan-Feb 1999 Internship at Inter Yatirim M.D. A.S., (Investment Company, Turkey)

AWARDS AND SCHOLARSHIPS:

2006: University of California, San Diego, Dean's Travel Award
2002-present: University of California, San Diego, Tuition Scholarship
2001-2002: University of California, San Diego, Mary Berglund Fellow
1997-2001: Koc University (Turkey), Vehbi Koc Scholar (5 times; SPA: 3.50 or above)
Koc University (Turkey), Dean's Honor Roll (Spring '98; SPA: 3.00-3.50)
Department Rank: 2 (at graduation)
1996-2001: Merit scholarship, ranked 40th in the Student Selection and Placement Exam
(among 335 621)

LANGUAGES:

English (fluent), Turkish (native), French (fair), German (fair).

COMPUTER EXPERIENCE:

Statistical Packages: STATA, SAS, E-views, etc.
Programming Languages: Matlab, Gauss, C/C++, etc.

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WORKING PAPERS:

8/2006: **“Asset Allocation Implications of Factor Models under Parameter and Model Uncertainty”**

This paper examines the asset allocation implications of incorporating uncertainty in linear factor models using industry portfolios. I specifically examine a CAPM, a linear factor model with predictor variables, and a time-varying CAPM model incorporating parameter uncertainty in a mean-variance framework. I look at a time-varying CAPM model with both conditional and unconditional variances. I show that taking into account the time variation in market beta improves the portfolio performance compared to an unconditional CAPM and a linear factor model with predictor variables. I also show the implications of using a Black-Litterman framework versus using a standard mean-variance framework in terms of performance. Black-Litterman model is a way to deal with model uncertainty and the outcomes with this model are also intuitive since investors can incorporate their prior views of the performance of the industry portfolios.

8/2006: **“Style Investing with Bayesian Methods”**

This paper uses Bayesian methods to look at style investing. This paper analyzes the determinants that affect style investing, such as style momentum and predictor variables such as macro variables (e.g. yield spread, inflation, oil prices, etc.), and looks at how learning about these variables affects the predictability of returns. I look at the asset allocation implications of these specifications both with Bayesian and non-Bayesian methods.

8/2005: **“Allocation to Industry Portfolios under Markov Switching Returns”**

This paper proposes a Gibbs Sampling approach to modeling returns on industry portfolios. I examine how parameter uncertainty in the returns process with regime shifts affects the optimal portfolio choice in the long run for a static buy-and-hold investor. Ignoring the parameter uncertainty leads the investor overallocate to stocks when returns follow a Markov switching process. I find that after parameter uncertainty is incorporated, and possible regime shifts in the returns process is taken into account, the allocation to stocks is smaller in the long run. I find this result to be true for both the NASDAQ portfolio and the individual high tech and manufacturing sector portfolios (less for the manufacturing sector portfolio). I also give the results for the linear case for comparison. Finally, I include dividend yield and T-bill rates as predictor variables in the model with regime switching returns and find that the effect of these predictor variables is minimal: the allocation to stocks is still smaller in the long run.