

## ANDREA SIRONI



*Place & date of birth:* Milan, 13 May 1964  
*Family status:* Married, three children  
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### PRESENT POSITION

- Professor of Financial Markets and Institutions, Bocconi University, Milan.

### STUDIES & PAST POSITIONS

- March 1989: degree in Economics - Bocconi University, Milan.
- May 1989-May 1990: Finance program, The Chase Manhattan Bank, London.
- January-July 1993: Visiting scholar at the *Salomon Brothers Center for the study of financial institutions* - Stern School of Business - New York University.
- March 1995: Researcher degree, Bocconi University.
- November 1998: Associate Professor – Bocconi University.
- January-July 2000: Visiting scholar, Research and Statistics Department, Monetary and Financial Studies, The Federal Reserve Board of Governors, Washington DC.
- Nov. 2004 - Nov. 2005, Vice Rector for Graduate Studies, Bocconi University.
- September 2000 - Sept. 2006, Director, Research Division, SDA Bocconi School of Management.
- November 2005 – October 2008, Dean for International Affairs, Bocconi University.

### MAIN RESEARCH INTERESTS

- Risk Management in Financial Institutions
- Bank Financial Management & Capital Allocation
- International Banking Supervision & Capital Regulation

### RESEARCH RELATED ACTIVITIES

- Member of the editorial board of the following journals: *Journal of Financial Services Research*, *International Journal of Banking, Accounting, Auditing and Finance*.
- Referee for: *Journal of Financial Intermediation*, *Journal of Financial and Quantitative Analysis*, *Journal of Money Credit and Banking*, *Journal of Banking and Finance*, *Journal of Empirical Finance*, *Journal of Financial Services Research*, *Economic Notes*, *European Journal of Finance*, *European Journal of Operational Research*, *Finance and Economics Review*, *Financial Management, Institutions and Money*, *International Journal of Banking, Accounting, Auditing and Finance*, *International Review of Economics and Finance*, *Journal of Accounting, Auditing*

*and Finance, Journal of Economics and Business, Journal of International Financial Markets, Journal of Management and Governance.*

- Member of the International Academic Advisory Board, Fitch Ratings.

#### **TEACHING ACTIVITY**

- 1995 - today: MBA program - core course "*Financial Markets & Institutions*". Consistently ranked, during the last five years, among the top three MBA instructors (based on students' evaluations) and top performer of the international class.
- 2004 - today: Master of Science in Finance - core course "*Risk Management in Financial Institutions*". Average students' evaluations: 8.9 over 10.
- 2004 – today: Master in Quantitative Finance and Risk Management: "*Market Risk Measurement and Management*". Consistently ranked top instructor of the program. Based on the performance in this course, ranked top teacher of Bocconi master programs in 2006.
- 1995-2007: undergraduate course "*Financial Markets & Institutions*".
- 1998-2005: undergraduate course "*International Financial Markets*".
- 1994-2009: coordinator and instructor of many executive courses and seminars held at SDA Bocconi School of Management (e.g.: *Risk Management and Capital Allocation in Banking, Rating and Credit Risk Management, Financial Risk Management in Banking, Shareholders Value in Banking*).
- 1995-2000: coordinator and lecturer of the one week course on "*Financial Risk Management and Derivatives*" held at Bank of Italy.
- 2002-2008: PhD course on "*Economics of Financial Markets and Institutions*"

#### **PRESENTATIONS AT INTERNATIONAL CONFERENCES AND SEMINARS**

- 1) Financial Management Association (FMA) Conference, presented the paper "*An analysis of Banks' Market Risk Management and its Implications for Capital Regulation*", Zurich, May 1997.
- 2) International Conference on Financial Services in the Evolving Global Marketplace: Approaching the Next Millenium, Hofstra University, presented the paper "*Banks' Market Risk Management and Capital Regulation: a Critical Assessment*", New York, October 1998.
- 3) Associazione Bancaria Ticinese - Centro di Studi Bancari, presentation "*Capital Allocation in Banking*", Lugano, September 1999.
- 4) JFSR-FDIC Conference on "Incorporating Market Information into Financial Supervision", presented the paper: "*An Analysis of European Banks' SND Issues and Its Implications for the Design of a Mandatory Subordinated Debt Policy (MSDP)*", Washington - November 2000.
- 5) ICBI Risk Management Conference - presentation of "*Credit Risk Capital Requirements and Market Discipline: Determining the Critical Next Steps*", Geneva, December 2000.
- 6) Federal Reserve of Chicago, 37th Annual Conference on Bank Structure and Competition, "*Testing for Market Discipline in the European Banking Industry: Evidence from Subordinated Debt Issues*", Chicago, May 2001.

- 7) Bank of England, Conference on Banks & Systemic Risk, "*Testing for Market Discipline in the European Banking Industry: Evidence from Subordinated Debt Issues*", London, May 2001.
- 8) Bank for International Settlements *Conference on Capital Regulation*, presented the paper "*The Link between Default and Recovery Rates: Effects on the Procyclicality of Regulatory Capital Ratios*" (with Edward Altman and Andrea Resti), Basel, March 2002.
- 9) Imperial College, presented the paper "*Which factors affect corporate bonds pricing? Empirical evidence from eurobonds primary market spreads*", London, May 2002.
- 10) International Conference on *Risk and Stability in the Financial System: What Role for Regulators, Management and Market Discipline?*, Bocconi University, presented the paper "*Is Banks' Cost of Equity Capital Different Across Countries? Evidence from G10 Countries Major Banks*", Milan, June 2002.
- 11) Financial Management Association (FMA) Conference, presented the paper "*The Basel Committee proposal on risk-weights and external ratings*", Siena, June 2005.
- 12) Financial Management Association (FMA) Conference, discussant of the paper: "*Ex ante versus ex post Regulation of Bank Capital*", by Arup Daripa and Simone Varotto, Siena, June 2005.
- 13) European Financial Management (EFMA), "*What's different about loans? An empirical analysis of credit spreads on public debt and bank facilities*", Milan, Bocconi University, June 2005.
- 14) Tanaka Business School, Imperial College, "*The Risk-Weights in the New Basel Capital Accord: Lessons from Bond Spreads based on a Simple Structural Model*", London, May 2006.
- 15) Stern School of Business, New York University, Conference in honour of Edward Altman, invited paper, "*What's different about loans? Testing a simple structural model of credit spreads*", December 2006.
- 16) ESSEC Paris, "*What's different about loans? Testing a simple structural model of credit spreads*", Paris, May 2007.
- 17) Deutsche Bundesbank and Basel Committee - Conference on the Interaction of Market and Credit Risk - invited discussant of the paper "*An economic capital model integrating credit and interest rate risk*", by Piergiorgio Alessandri and Mathias Drehman, Berlin, December 2007.

#### **PHD INVITED EXAMINER**

- Cristina Neto de Carvalho, "*Credit risk and loan-loss provisioning: an empirical study*", Faculdade de Ciências Económicas e Empresariais, Universidade Católica Portuguesa, July 2004. Supervisor: Jean Dermine (Insead).
- Yen-Ting Hu, "*Essays on Bond Recoveries and Ratings*", School of Economics, Mathematics and Statistics, Birkbeck College, University of London, March 2006. Supervisor: William Perraudin.
- Iain Campbell MacLachlan, "*An empirical study of corporate bond pricing with unobserved capital structure dynamics*", Department of Finance, Faculty of Economics and Commerce, The University of Melbourne, Australia, May 2007. Supervisors: Christine Brown and Kevin Davis.

- Matteo Facchinetti, "*Market Discipline in Banking Regulation: Theory and Evidence from Switzerland*", Università Della Svizzera Italiana, Lugano, November 2007. Supervisor: Giovanni Barone Adesi.

## **PROFESSIONAL ACTIVITIES**

- Financial Analyst at The Chase Manhattan Bank, London, 1989-1990.
- Consultant and independent expert for major Italian and international financial institutions and regulatory authorities (e.g. Citigroup, Merrill Lynch, Unicredit, UBS, Deutsche Bank, Société Generale, Nomura, Banca d'Italia, etc.).
- Member of the Board of Directors, Saes Getters SpA, company listed in the Milan Stock Exchange.
- Member of the Board of Directors, Banco Popolare Scrl, Verona, Italy.
- Member of the Board of Directors and Vice President, Banca Aletti SpA, Milano, Italy.

## **MAIN PUBLICATIONS**

### ***1) Articles in International Refereed Journals***

1. Resti A. and A. Sironi (2009), What's different about loans? An analysis of the risk structure of credit spreads, *International Journal of Banking Accounting Auditing and Finance*, Vol. 2, n.1.
2. "Ownership Structure, Risk and Performance in the European Banking Industry", with Giacomo Nocera and Giuliano Iannotta, *Journal of Banking and Finance*, 31, n. 7, pp. 2127–2149, 2007.
3. "The Risk-Weights in the New Basel Capital Accord: Lessons from Bond Spreads based on a Simple Structural Model", with Andrea Resti, *Journal of Financial Intermediation*, 16, n. 1, 2007, pp. 64-90.
4. "The Link between Default and Recovery Rates: Theory, Empirical Evidence and Implications", with Edward Altman, Brooks Brady and Andrea Resti, *The Journal of Business*, Vol. 78, November, pp. 2203-2228, 2005.
5. "Default and Recovery Rates in Credit Risk Modeling: A Review of the Literature and Empirical Evidence", with Edward Altman and Andrea Resti, *Journal of Finance Literature*, Volume 1, Winter 2005.
6. "Which Factors Affect Corporate Bonds Pricing: Empirical Evidence from Eurobonds Primary Market Spreads", with Giampaolo Gabbi, *The European Journal of Finance*, February 2005, v. 11, 1, pp. 59-74.
7. "Default and Recovery Rates in Credit Risk Modeling: A Review of the Literature and Empirical Evidence", with Edward Altman and Andrea Resti, *Economic Notes*, Vol. 33, No. 2, pp. 183-208, July 2004.
8. "Applying Credit Risk Models to Deposit Insurance Pricing: Empirical Evidence from the Italian Banking System", with Cristiano Zazzara, *Journal of International Banking Law and Regulation*, V. 6, N. 1, 10-32, 2004.
9. "Testing for Market Discipline in the European Banking Industry: Evidence from Subordinated Debt Issues", *Journal of Money, Credit and Banking*, Vol. 35, June 2003, 443-472.

10. "The New Basel Accord: Implications for Italian Banks", with Cristiano Zazzara, *Review of Financial Economics*, vol. 12/1 pp. 99–126, 2003.
11. "Strengthening Banks' Market Discipline and Levelling the Playing Field: Are the Two Compatible?", *Journal of Banking and Finance*, vol. 26/5, 1065-1092, May 2002.
12. "An Analysis of European Banks Subordinated Debt Issues and Its Implications for a Mandatory Subordinated Debt Policy", *Journal of Financial Services Research*, Vol. 20, No. 2/3, October 2001, 233-266.

### **II) Articles in National (Italian) Journals**

1. "Financial Structure, Cost of Capital and Shareholders' Value Creation in Banking", *Economia & Management*, 6/2001.
2. "The Reform of the Capital Requirements: a Critical Evaluation and Some Proposals", *Bancaria*, n. 10, 1999.
3. "From credit selection to credit risk management: opportunities and risks for Italian banks", with G. De Laurentis, *Bancaria*, January 1998, n.1, pp. 56-73.
4. "From risk management to capital allocation in banking", with Francesco Saita, *Bancaria*, n. 5, May 1998, pp. 64-81.
5. "Capital Ratios and Banks Strategies: from asset growth to shareholders' value creation", *Economia & Management*, July 1992, pp. 8-26.

### **III) Working Papers**

- 1 *The Impact of Government Ownership on Banks' Ratings: Evidence from the European Banking Industry*, with Giuliano Iannotta and Giacomo Nocera, Center for Applied Research in Finance (Carefin), Bocconi University, April 2008.
- 2 *What's different about loans? Testing a simple structural model of credit spreads*, with Andrea Resti, Center for Applied Research in Finance (Carefin), Bocconi University, December 2007.
- 3 *The Link between Default and Recovery Rates: Effects on the Procyclicality of Regulatory Capital Ratios*, (with Edward Altman and Andrea Resti), BIS Working Papers, No. 113, 2002, presented at the BIS conference on Capital Regulation, March 6, 2002.
- 4 *Banks' Market Risk Management and Capital Regulation: a Critical Assessment*, with F. Saita, in *Financial Services in the Evolving Global Marketplace*, edited by E. O. Lyn and G. J. Papaioannou, Hofstra University, New York, 2002.
- 5 *Analyzing and Explaining Default Recovery Rates*, a Report submitted to the International Swaps and Derivatives Association (ISDA), (with Edward Altman and Andrea Resti), 2001, London.
- 6 *Are Banks' Cost of Capital Different Across Countries? Evidence from G10 Countries Major Banks*, with Cristiano Zazzara and Aurelio Maccario, paper presented at the Tor Vergata Conference, Rome, December 2001.
- 7 *Testing for Market Discipline in the European Banking Industry: Evidence from Subordinated Debt Issues*, Federal Reserve Board of Governors, Finance and Economics Discussion Series, 40-2000.
- 8 *An Analysis of European Banks Subordinated Debt Issues and Its Implications for a Mandatory Subordinated Debt Policy*, Federal Reserve Board of Governors, Finance and Economics Discussion Series, 41-2000.

- 9 *Reforming the Italian Financial System: Recent Evolution and Future Prospects*, Salomon Brothers Center, Stern School of Business, Occasional Paper in Business and Finance, n. 15, 1994, New York, pp. 1-60.

***IV) Books and Chapters in International Books***

- 1 *Interest Rate Risk on the Banking Book*, joint with Andrea Resti, in "Pillar II in the New Basel Accord: the Challenge of Economic Capital", edited by A. Resti, Riskbooks, London, 2008, pp. 273-295.
- 2 *Risk Management and Shareholders Value in Banking*, John Wiley, with Andrea Resti, London, 2007.
- 3 *Recovery Risk: The next challenge in credit risk management*, edited by Edward Altman, Andrea Resti and Andrea Sironi, Risk Books, 2005.
- 4 *Loss Given Default and Recovery Risk: From Basel II Standards to Effective Risk Management Tools*, with Andrea Resti, in Michael K. Ong, *The Basel Handbook, a Guide for Financial Practitioners*, Risk Books, 2003.