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**EDUCATION**

**THE UNIVERSITY OF CHICAGO, GRADUATE SCHOOL OF BUSINESS  
Chicago, IL**

Ph.D.: Accounting

*September 2002 – Present*

Dissertation Committee: Professors Ray Ball (Chair), Philip Berger, Douglas Diamond, Douglas Skinner,  
and Abbie Smith.

**THE HEBREW UNIVERSITY OF JERUSALEM  
Jerusalem, Israel**

M.B.A.: Finance and Accounting, *Summa Cum Laude*

*July, 1999*

B.A.: Accounting and Economics, *Magna Cum Laude*

*July, 1996*

**RESEARCH INTERESTS**

Financial Reporting Quality, Financial Contracting and Information Asymmetry, Financial Intermediation,  
Economic Growth and Financial Reporting.

**WORKING PAPERS AND PUBLICATIONS**

“The Role of Information Asymmetry and Financial Reporting Quality in Debt Contracting: Evidence from  
the Secondary Loan Market,” 2005, *Job Market Paper*.

“The Impact of Information Asymmetry on Debt Pricing and Maturity,” 2005, *Working Paper*.

“Assessing Credit Risk in Israel’s Banking System by Means of a Credit Scoring Model,” 2001, *The  
Economic Quarterly*, 48, pp 380 – 416.

“Motor Car and Petrol Taxation Policy in Israel: Analysis and Proposal for a Tax Reform,” 1997, *The  
Israeli Tax Quarterly*, 95, pp 21 – 43.

**WORK IN PROGRESS**

“Risk Factors in Bank Stock Returns.”

“Financial Reporting and Economic Growth: U.S. and International Evidence,” (with Gil Sadka).

**TEACHING INTERESTS**

Financial Accounting, Financial Statement Analysis, Reporting and Disclosure of Financial Institutions,  
Managerial Accounting.

## TEACHING EXPERIENCE

### **THE UNIVERSITY OF CHICAGO, GRADUATE SCHOOL OF BUSINESS Chicago, IL**

#### *Teaching Assistant*

*September 2004 – September 2005*

Financial Accounting, Executive MBA Program (London), Professor Ray Ball.  
Financial Analysis for Nonfinancial Managers, Executive Education Program, Professor Ray Ball.  
Financial Markets and Institutions, MBA Program, Professor Douglas Diamond.  
Accounting and Financial Analysis, MBA Program, Professor Philip Berger.  
Financial Statement Analysis, MBA Program, Professor Abbie Smith.  
Financial Accounting, MBA Program, Professor Ellen Engel.

### **THE HEBREW UNIVERSITY OF JERUSALEM Jerusalem, Israel**

#### *Lecturer*

*1999 – 2001*

Fundamentals of Accounting, BA Program.

#### *Teaching Assistant*

*1996 – 2001*

Banking in Israel, MBA Program, Professor David Rotenberg.  
Introduction to Finance, MBA Program, Professor Eugene Kandel and Professor Zvi Wiener.  
Advanced Cost Accounting, BA Program, Professor Yoram Eden.  
Basics of Corporate Finance, Summer School for Foreign Students, Professor Zvi Wiener.

## REFEREE EXPERIENCE

*Journal of Accounting Research*

*2005*

## FELLOWSHIPS AND AWARDS

Award for Excellent Teaching Services, Executive MBA Program, Graduate School of Business, University of Chicago, 2005.  
Doctoral Fellowship, University of Chicago, Graduate School of Business, 2002 – 2006.  
The Harry Simon Award, The Hebrew University of Jerusalem, 2002 – 2004.  
First Year Summer Research Award, University of Chicago, Graduate School of Business, 2003.  
Best Graduate Paper in Finance Award, The Hebrew University of Jerusalem, 2000.  
The Israel Gafni Award for the Best Paper in Banking, The Hebrew University of Jerusalem, 2000.  
Graduate Studies Fellowship, The Hebrew University of Jerusalem, 1996 – 1999.  
Dean's List, The Hebrew University of Jerusalem, 1993 and 1997.  
Award for Outstanding Student Paper in Economics, Maurice Falk Institute for Economic Research in Israel, 1996.

## PROFESSIONAL EXPERIENCE

**Bank of Israel, Banking Supervision Department, Research Unit, Jerusalem, Israel**

*1998 – 2002*

*Economist*

**Ministry of Finance, The Accountant General Department, Jerusalem, Israel**

*1997 – 1998*

*Economist*

## ADDITIONAL INFORMATION

Fluent in English, Hebrew, and Russian.

Regina Wittenberg Moerman

## REFERENCES

Ray Ball  
Sidney Davidson Professor of Accounting  
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Boris and Irene Stern Professor of Accounting  
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## ABSTRACTS

### **“The Role of Information Asymmetry and Financial Reporting Quality in Debt Contracting: Evidence from the Secondary Loan Market,” *Job Market Paper*.**

I employ unique data on secondary loan trades to explore how information asymmetry and the quality of financial reporting affect the trading spreads of private debt securities. There are two primary findings. First, the bid-ask spread in secondary loan trading is positively related to firm- and loan-specific characteristics associated with a high information asymmetry environment. Loans of private firms, loans without an available credit rating, loans syndicated by less reputable arrangers, distressed loans, and loans of loss firms are traded at significantly higher bid-ask spreads. Second, timely incorporation of economic losses into borrowers' financial statements reduces the bid-ask spread at which their loans are traded. This finding suggests that high quality financial reporting reduces the information costs associated with debt agreements and increases the efficiency of the secondary trade.

### **“The Impact of Information Asymmetry on Debt Pricing and Maturity,” *Working Paper*.**

In this paper, I exploit a syndicated loan market to explore the impact of information asymmetry on debt pricing and maturity. As a measure of information asymmetry associated with a borrowing firm, I utilize the bid-ask spread on the firm's loans traded on the secondary loan market. There are two primary findings. First, I find that, *ceteris paribus*, the interest rate spread on a borrower's syndicated loan is positively related to the average bid-ask spread on its previous loans traded on the secondary loan market. Second, I show, *ceteris paribus*, a negative relation between the syndicated loan's maturity and the average bid-ask spreads on the borrower's traded loans. This empirical evidence demonstrates that information asymmetry increases the cost of debt capital and reduces the debt maturity.

### **“Risk Factors in Bank Stock Returns,” *Work in Progress*.**

This paper examines how sensitive bank stock returns are to risk factors that are unique to financial institutions. By developing a multi-factor model, I find that credit risk and capital risk factors in returns add substantially to the variation in bank stock returns explained by the Fama and French (1993) three factor model. The empirical findings demonstrate a non-monotonic relation between stock returns and the ratio of a bank's loan-loss provisions to its outstanding loans. Banks with a low ratio of loan-loss provisions have higher returns, suggesting that investors require a higher risk premium on stocks of less conservative banks with less timely recognition of expected credit losses. The extremely high ratio of loan charge-offs to loan-loss provisions and the relatively low ratio of loan-loss reserves to non-performing assets of these institutions further confirm the managers' discretion in delaying the recognition of loan-loss expenses in financial statements. Banks with a high ratio of loan-loss provisions to outstanding loans also exhibit higher stock returns, consistent with their substantial credit risk exposure. In addition, I find a negative relation between capital adequacy ratio and stock returns. Banks with low capital ratio have higher stock returns, reflecting their lower ability to absorb potential losses. Banks with a relatively high degree of capital coverage, which are less sensitive to adverse changes in market and credit conditions, are viewed as less risky by investors. The empirical findings also demonstrate that bank stock returns are highly sensitive to a risk factor in returns related to book-to-market equity, but do not exhibit significant relation with the size risk factor in returns.

### **“Assessing Credit Risk in Israel's Banking System by Means of a Credit Scoring Model,” 2001, *The Economic Quarterly*, 48, pp 380 – 416.**

This paper examines whether credit scoring models provide an accurate estimation of a bank's credit risk exposure. By using unique data on the loan quality of big Israeli public borrowers, I construct a model of financial insolvency. The model is successful in predicting financial difficulties and signals imminent insolvency several years before it actually occurs.