Hugh Hoikwang Kim

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Education

University of Pennsylvania, the Wharton School Philadelphia, PA
Ph.D. in Applied Economics (field: Risk Management and Financial Institutions) May 2013 (expected)
Dissertation Title: "Essays on the Economics of Risk Management and Financial Institutions"

University of Pennsylvania, the Wharton School Philadelphia, PA
M.S. in Applied Economics May 2011

Seoul National University Seoul, Korea
B.A. in Economics, *Cum Laude* February 2004

Research and Teaching Fields:

Financial Markets and Institutions, Economics of Risk Management, Applied Microeconomics, Corporate Finance, Investment, Life-cycle Portfolio Choice.

Publications in Refereed Journals:

"The Impact of Shrouded Fees: Evidence from a Natural Experiment in the Indian Mutual Funds Market." (with Santosh Anagol), 2012 ***American Economic Review*** 102(1):576-93.

Working Papers:

"Contagious Runs in Money Market Funds and the Impact of a Government Guarantee" **(Job Market Paper)**

Abstract: This paper examines evidence for contagious runs in money market funds during the 2008 financial crisis, using a rich dataset of U.S. money market fund daily flows and funds' enrollment statuses in the Treasury Department's Temporary Guarantee Program (TGP) over time. We find that panicked-run was contagious both across and within fund complexes. To investigate the contagion risk of runs across fund complexes, we use fund complexes' enrollment statuses in the TGP as a source of variation for contagion risk of runs. Our identification strategy is to explore whether enrolled peer funds had positive externality effects on non-enrolled funds. To identify a contagion risk of runs within a fund complex, we utilize a panel structure of fund flow data to control for a sponsor level common shock. We show that peer fund stability in another fund complex due to the guarantee program induced on average an extra $1.8 million of daily flows to

non-enrolled funds compared to already-enrolled funds. We also find, right after the Lehman collapse, that investors withdrew on average $2.9 million a day from their own funds because their peer funds in the same fund complex were experiencing a run. Additionally, we ask whether institutional and retail investors behaved differently after the introduction of the TGP. Our findings shed light on policy debates about government interventions to rebuild investor confidence in times of financial crisis and money market fund reforms. Finally, we evaluate policy options to control the chances of future contagion in this industry.

"Costly Portfolio Adjustment and the Delegation of Money Management" (Pension Research Council Working Paper WP2011-04, The Wharton School)

Abstract: This paper investigates the theoretical impact of including two empirically-grounded innovations in a lifecycle portfolio choice model. The first is a portfolio adjustment cost which employees face when managing their financial wealth rather than delegating the task to a professional money manager. When job-specific human capital is accumulated through learning-by-doing, investing time in financial management imposes opportunity costs in terms of current and future human capital accumulation. The second innovation is the incorporation of age-dependent efficiency patterns in financial decision making. Our model replicates observed inactivity in portfolio adjustment patterns, especially for younger and older employees. This framework also allows an analysis of the choice between managing one's own money and delegating the task to a financial advisor. The calibrated model quantifies welfare gains that the delegation option can bring to the lifecycle setting.

Work in Progress:

"Measuring the Value of Experience: Do Experienced Fund Managers Perform Better?"

Honors and Awards:

Winner, Korea America Finance Association Doctoral Dissertation Award (2012)
NBER Summer Travel Grant (2012)
Dissertation Fellow, Pension Research Council, The Wharton School (2012-present)
Bradley Foundation Fellowship (2010-2011)
Trio Pilot Project Award (with Professor Olivia S. Mitchell, 2010-2011)
Doctoral Fellow, The S.S. Huebner Foundation (2009-present)

Employment:

Teaching Assistant for Undergraduate Managerial Economics, The Wharton School (2012)
Teaching Assistant for MBA Managerial Economics, The Wharton School (2011)
Research Assistant for Profs. Howard Kunreuther& Mark Pauly, The Wharton School (2011)
Research Assistant for Prof. Olivia S. Mitchell, The Wharton School (2010-2011)
Teaching Assistant for MBA/Undergraduate Risk Management, The Wharton School (2010)
Teacher Development Program, The Wharton School (2010)

Research Assistant for Prof. Nikolai Roussanov, The Wharton School (2011)
Air Force Intelligence Officer (military service, 1st Lieutenant), South Korea (2004-2007)

Professional Presentations (including scheduled)**:**

FMA Doctoral Student Consortium and a Special Session (Atlanta, GA, 2012)
Finance PhD Student Seminar, The Wharton School (Philadelphia, PA, 2012)
Finance Faculty Brown Bag Seminar, The Wharton School (Philadelphia, PA, 2012)
Applied Economics Workshop, The Wharton School (Philadelphia, PA, 2012)
Finance Department Workshop, Goethe University Frankfurt am Main (Germany, Frankfurt, 2011)
American Risk and Insurance Association Meetings (San Diego, CA, 2011)
Department of Finance, California State University (Fullerton, CA, 2011)
Insurance and Risk Management Department, The Wharton School (Philadelphia, PA, 2011)

Professional Activities and Affiliations:

Referee for: Journal of Financial Services Research.
Affiliations: American Finance Association, American Economic Association,
American Risk and Insurance Association, Financial Management Association,
Korea-America Finance Association.

Personal:

Nationality: Korean, F-1 Visa in the U.S.
DOB: July 22, 1981
Married with two children
Computer skills: Fortran, Matlab, Python, R, SAS, STATA
Languages: English, Korean (native), German, French

References:

Olivia S. Mitchell
Professor of Insurance/Risk Management
Professor of Business Economics/Policy
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Itay Goldstein
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Santosh Anagol
Asst. Prof. of Business Economics/Policy
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Greg Nini (for teaching evaluations)
Asst. Prof. of Finance
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