# Professor Shmuel Hauser

## Israel Securities Authority, Chairman

***EDUCATION***

1977-1980: B.A. in Statistics and Economics, Hebrew University, Jerusalem, Israel.

1980-1982: M.A., Finance, Hebrew University, Jerusalem, Israel.

1983-1986: Ph.D., Finance, Temple University, Philadelphia.

**Dissertation:** "Essays on the Valuation of Foreign Currency Options: Theory, Applications, and Empirical Evidence."

***PROFESSIONAL EXPERIENCE***

2011- 5/11 - chairman of Israel Securities Authority

2007-2011: Director, Migdal Chaver Bursa (Tal Aviv Stock Exchange member)

2008-2011: Director, Meitav Beit Hashkahot, Hadas ETFs

2007-2011: Nerative Ltd., Economic consulting, owner and chairman.

2007-2011: Hauser-Levy Ltd., Startup Investment Club, chairman.

2007- Economic Consultant to the Economic Committee of the Knesset (Israeli Parliament) investigating Banks' fees.

2006-2007 Gaon Mea-net Market Making Ltd., Chairman

2006-2008: Director, Maalot Rating Agency

1989-2005: Chief Economist, Israel Securities Authority.

2005- Head of public committee (Hauser Committee 2) on “Ways to minimize manipulation in the option market and in thinly traded stocks?”

2004-2005 Coordinator of a public committee on "The Need to Regulate Alternative Trading Systems (ATS)

2001-2002 Head of public committee (Hauser Committee 1) on “Do we need market makers on the Tel Aviv Stock Exchange?”

1998- Coordinator of a public committee on "Ways to Raise Venture Capital in Israel."

1987-1988: Economist, Economic Unit of the Foreign Currency Department, Central Bank of Israel.

## *ACADEMIC POSITIONS*

2009-2011: ONO Academic College, Dean of Faculty of Business Administration

2006-2011: Full Professor ONO Academic College

2005-Present: Full Professor, Ben-Gurion University.

2000-2005: Associate Professor, Ben-Gurion University.

2003-2005: Visiting Professor, Rutgers University, Summer & Fall.

1995-1999: Senior Lecturer, Ben-Gurion University.

1987-2001: Adjunct Professor, School of Business, The Hebrew University, Jerusalem.

1986-1997: Visiting Professor, Temple University, Summer semesters.

1990-1995: Lecturer, School of Business, Bar-Ilan University.

1989: Visiting Professor, Temple University, Philadelphia.
Visiting Professor, Rutgers University, New Jersey.

1986-1987: Visiting Assistant Professor, Temple University, Philadelphia..

## *COURSES TAUGHT*

1. International Finance - graduate;
2. Futures and Options - graduate;
3. Portfolio Theory - graduate;
4. Corporate Finance - graduate;
5. Principles of Finance - graduate;
6. Securities Analysis - graduate;
7. Applications of Financial Theory in the Israeli Capital Market - graduate;

8. Seminar in Finance - graduate.

## *RESEARCH STUDENTS*

Judith Rosenberg, “Institutional Investors Activism, Corporate Financial Behavior and Firm’s Value”. M.A. Graduated 2000.

Yael Alon: "Forecasting with Rissanen’s Context Tree Model - an Application to the Israeli Stock Market. M.A. Graduated 2002.

Yoav Armin: "Testing Foreign Exchange Market Efficiency with Rissanen's Context Tree Model", M.A. Graduaed 2004.

Ilanit Madar-Gavious: “An Empirical Investigation of Firm Valuation by Expert Opinion”, Ph.D.. Graduated 2005

Avi Segev (deceased) "Valuation of Hi-Tech Firms Based on Diffusion of Technological Innovation." Ph.D. graduated in 2009

Erez Braude: "Water Allocation in Israel". Ph.D. Graduated in 2007

Rachel Rosenberg, "Ethics of Financial Advisors and Portfolio Mangers". M.A. Expected Graduation in 2011.

Hadas Gelander, "Pooling vs. Purchase: the Effects of Accounting for Mergers and Acquisitions". Ph.D, Graduated, 2010.

Yoav Libal' "The Relationship between the TASE volatility index (VIXTA), market sentiment and Share prices". Expected Graduation in 2011.

## *AWARDS*

Best Paper Award on a paper entitled: IPO Underpricing and Competition", Rutgers University, Camden, NJ, 2007.

Research Excellence, Honored by Ben-Gurion University, 2006.

Best Paper Award on a paper entitled: “The Non-Tradability price Premium of Forward Contracts” co-authored with Eldor, R, M. Kahn and A. Kamara, that was presented at the 8$^{th}$ annual conference of the Multinational Finance Society, 2001.

Best Paper Award on paper entitled: "Allocations, Adverse Selection and Cascades in IPOs" co-authored with Yakov Amihud and Amir Kirsh that was presented at the 9$^{th}$ Global Finance Association Annual Conference, 2002.

## *RESEARCH INTERESTS*

**Corporate Finance:** Regulation in capital markets.
**Securities Analysis:** Options, Portfolio theory, etc.
**International Finance:** Exchange rate systems, foreign currency option, multinational corporations, direct investments, efficiency of the foreign market exchange, fixed-income securities, etc.

## *SCIENTIFIC PUBLICATIONS*

### Refereed Publications

Shmuel Hauser, Avraham Kamara and Itzik Shurki, THE EFFECTS OF RANDOMIZING THE OPENING TIME ON THE PERFORMANCE OF A STOCK MARKET UNDER STRESS, Journal of Financial Markets, 2012

Shmuel Hauser and Rita Yankilevitz, "The Effect of Dual Listing on Share Prices and Liquidity In the Absence of Registration costs", Journal of Service Science and Management, March, 2011, pp. 337-412.

Eldor, R., S. Hauser and Uzi Yaari, "The Impact of Margin Requirements on the Efficiency of Options Trading", Multinational Finance Journal, 2011.

Dan Elnathan, Ilanit Gavious and Shmuel Hauser, "An Analysis of Private vs. Public Firm Valuations and the Contribution of Financial Experts", *The International Journal of Accounting*, December, 2010.

Armin Shmilovici, Yoav Kahiri, Irad Ben-Gal and Shmuel Hauser. "Measuring the Efficiency of the Intraday Forex Market with a Universal Data Compression Algorithm", Computational Economics, 2009, 33(2), pp. 131-154.

Elnathan, D., I. Madar and S. Hauser. "On the added value of firm valuation by financial experts, International Journal of Business and Management, 2009,4(3).

Hauser, S., R. Yosef, O. Solomon, I. Schohet and Y. Tanchuma., "The Relationship Executive Compensation, Dividend Policy, Performance and Corporate Governance In Closely Held Firms, Journal of Corporate, Ownership and Control, 2007, 4(3), pp. 196-209.

Hauser, S. H.K. Levy, B. Pilo and I. Shurki, "The Effect of Trading Halts on the Efficiency of Price Discovery", Journal of Financial Services Research, 2006

Gur, G., and S. Hauser, “Stock Market Reaction to Unexpected Changes in Interest Rates: The Case of Israel”, Frontiers in Finance and Economics, 2006.

Eldor, R., S. Hauser, B. Pilo and I. Shurki, "The Contribution of Market Makers to the Efficiency of Options Trading in Electronic Exchange". Journal of Banking and Finance, 2006.

Hauser, S., U. Yaari Y. Tanchuma, and H. Baker, “IPO Underpricing and Competition.” Journal of Law and Economics, 2006.

Eldor, R., S. Hauser, M. Kahn and A. Kamara, “The Non-Tradability Price Premium of Forward Contracts”, Journal of Business, 2006.

Hauser, S. and B. Lauterbach, “The Value of Voting Rights to Majority Shareholders: Evidence from Dual Class Stock Unifications”, Review of Financial Studies, September, 2004.

Armin Shmilovici, Yael Alon-Brimer and Shmuel Hauser, “Using a Stochastic Complexity Measure to Check the Efficient Market Hypothesis”, Computational Economics, Dec 2003.

Amihud, Y. and S. Hauser and A. Kirsh, “Rationing, Adverse Selection and Cascades in IPOs: Evidence from Israel”, Journal of Financial Economics, 68 (1) 2003, 137-158.

Hauser, S. and B. Lauterbach, “The Impact of Minimum-Trading Units on Stock Value and Price Volatility”, Journal of Financial and Quantitative Analysis, September, 2003.

Hauser, S., E. Kraizberg, and R. Dahan, “Price Behavior and Insider Trading around Seasoned Equity Offerings: The Case of Majority-Owned Firms”, Journal of Corporate Finance, 9(2), 2003, pp. 183-199.

Brenner, M., R. Eldor and S. Hauser, "The Price of Options Illiquidity”, Journal of Finance, 56 (2) 2001, pp.791-807.

Ben-Zion, U., S. Hauser, M. Rozenkranz, and U. Yaari, “Immunization Strategies for Multinational Firms,” Journal of Portfolio Management, 2001.

Hauser, S., A. Levy and U. Yaari, "Trading Frequency and The Efficiency of Price Discovery in A Non-Dealer Market”, European Journal of Finance, 2001.

Elyasiani, E., S. Hauser and B. Lauterbach, “Market Response to Liquidity Improvements: Evidence from Exchange Listings,” Financial review, February, 2000 35 (1), 1-14.

Barnea, A., S.Hauser, Solgenick, E. and A. Schechter, ”Accounting Performance Measures and Stock returns: An Empirical Investigation (Hebrew), The Economic Quarterly, 2000.

Hauser, S. and A. Levy, "Discrete vs. Continuous Trading: Testing the Efficiency of Price Discovery in Thinly Traded Stocks”, Multinational Finance Journal, 2 (2) 1999, pp. 133-150.

Choi, J.J., S. Hauser and K. Kopecky, "Predicting Real Activity with Stock Price Movements: Evidence from the G-7 Countries", Journal of Banking and Finance, 23 (12)1999, pp. 1771-1792.

Lieberman, O., U. Ben-Zion and S. Hauser, “A Characterization of the Price Behavior of International Dual Stocks: An Error Correction Approach”, Journal of International Money and Finance, 18(2) 1999, pp. 289-304.

Hauser, S., Y. Tanchuma and U. Yaari, "International Transfer of Pricing Information Between International Dually-Listed Stocks", Journal of Financial Research, 1998, pp. 139-157.

Ang, J., S. Hauser and B. Lauterbach, “Contestability and pay Differential in Executive Suites”, European Financial Management, 1998.

Ang, J., S. Hauser and B. Lauterbach, “Top Executive Compensation Under Alternative Ownership and Governance Structures: The Case of Israeli Firms”, Advances in Financial Economics, 1997.

Hauser, S. And B. Lauterbach, “Tests of Warrant Pricing Models: The Trading Profits Perspective”. The Journal of Derivatives, 4, Winter 1997, pp. 71-79.

Hauser, S. and B. Lauterbach, "Warrant Pricing with the Constant Elasticity of Variance Model and the Longstaff's Extended Writer Option Model". Financial Analyst Journal, February, 1997, pp 55-61.

Hauser, S. and A. Levy, "Pricing of Foreign Exchange Options with Transaction Costs: The Choice of Trading Interval", International Review of Financial Analysis, 5, 1996 pp. 145-160.

Hauser, S. and B. Lauterbach, "Empirical Tests on the Longstaff's Extended Writer Option". Journal of Empirical Finance 3, 1996, pp. 1-14.

Hauser, S. and A. Levy, "Return and Risk in Initial Public Offerings of Units Including Both Shares and Warrants". Review of Financial and Quantitative Analysis 7, 1996, pp. 29-43.

Ben-Zion, U., J.J. Choi, and S. Hauser, "The Causality Between Country Funds and Stock Price Indices: The Case of Germany, Japan, U.K. and U.S. Capital Markets". Journal of Business Finance and Accounting 23, 1996, pp. 1005-1017.

Hauser, S., "The Relationship Between The Behavior of Securities Markets and Real Economic Activity in Small Markets: The Israeli Experience" The International Journal of Finance 7, 1995, pp. 1227-1239.

Hauser, S., A. Levy, and U. Yaari, "Hedging Strategies of Financial Intermediaries: Pricing Options with A Bid-Ask Spread", Financial Review 30, 1995, pp. 809-822.

Choi, J.J. and S. Hauser, "The Value of Forward Contract on Foreign Exchange In a Continuous-Time Option Theoretic Framework." Research in Finance, 12 1995, pp. 203-216.

Hauser, S. and L. Hanes "The Affect of Inter-relationship Between Underwriter and Issuer on the Results of Public Offerings." The Economic Quarterly, (Hebrew), 1 1994, pp. 99-115.

Hauser, S., M. Marcus and U. Yaari, "Investment in Emerging Markets: Is it Worthwhile Hedging Foreign Exchange Risk". Journal of Portfolio Management, 20 1994, pp. 76-81.

Hauser, S., A. Levy and U. Yaari "Trading Frequency and Implied Transaction Costs of Foreign Exchange Options." Advances in Futures and Options Research, 7 1994, pp. 37-45.

Gizbar, S. and S. Hauser, "Executive Compensation Policy, Performance and Ownership Structure In Israel." The Economic Quarterly (Hebrew) 3 1993, pp 413-445.

Hauser, S., D. Galai, and C.N. Bagley, "Predicting the Value of Foreign Currency Call Options with Constant Elasticity of Variance Diffusion Process." International Review of Financial Analysis, 1 1992, pp. 225-236.

Hauser, S. and A. Levy, "The Effect of Exchange Rate and Interest Rate Risk on International Currency and Fixed Income Security Allocation." Journal of Economics and Business, 45 1991, pp. 375-388.

Hauser, S. and A. Levy, "Optimal Forward Coverage in International Fixed-Income Portfolios." Journal of Portfolio Management, 17 1990, pp. 54-59.

Hauser, S., F. Fabozzi and U. Yaari, "Early Exercise of Foreign Currency Options: Determinants of American Premium and the Critical Exchange Rate." Advances in Futures and Options Research, JAI Press, 4 1990, pp 219-236.

Choi, J.J. and S. Hauser, "The Effects of Domestic and Foreign Yield Curves on the Value of Currency American Call Options." Journal of Banking and Finance, 14 1990, pp. 41-53.

Choi, J.J. and S. Hauser, "The Value of Foreign Currency Options and the Term Structure of Interest Rates." Recent Developments in International Banking and Finance, 3 1989, pp. 149-158.

## Chapters in Collective Volumes

Eldor, R., S. Hauser, Abrahm Lioui and R. Melnick, "The Impact of Terrorism and Anti-Terroroism on Financial Markets", 2008.

Hauser, S. and J. Dilevsky, “Dividend Policy, Management Compensation and Ownership Structure: Empirical Evidence from the Tel Aviv Stock Exchange”. ***Emerging Markets and Investments***, edited by J.J. Choi and J. Doukas, Greenwood Publishing Group. 1998

Hauser, S., A. Levy and Y. Yaari, "Fixed-Income Immunization Strategy for Multinational Firms". ***FX: Managing Global Currency Risk***, edited by Gary Klopfenstein, The Glenlake Company Ltd. 1997.

## Professional Publications (not refereed)

Hauser, S. and D. Chertoff, "One Share-One Vote in Israel" (Hebrew), Israel Securities Authority, 1989.

Hauser, S. and I. Shohet "Corporate Dividend Policy in Israel" (Hebrew), Israel Securities Authority, 1990.

Ben-Yaakov, M., Goberman, S., S. Hauser and I. Shohet, "Municipal Bonds in Israel" (Hebrew), Israel Securities Authority, 1991 (with I. Shohet, G. Goberman, M. Ben-Yaakov).

Hauser, S. and I. Shohet, "Exercise of Shareholder Voting Rights by Institutional Investors" (Hebrew), Israel Securities Authority, 1991.

Hauser, S, and I. Shohet, "The Relationship Between Corporate Control and Market Performance" (Hebrew), Israel Securities Authority, 1992.

Hauser, S. and A. Levy, "Risk and Return in Initial Public Offerings" (Hebrew), Israel Securities Authority, 1992.

Hauser, S. and L. Hanes, "The Affect of Inter-relationship Between Underwriter and Issuer on the Results of Public Offerings" (Hebrew), Israel Securities Authority, 1993.

Hauser, S. and I. Shohet, "Empirical Evidence on the Stock Price Reaction to the Timeliness of Annual Earnings Announcements" (Hebrew), Israel Securities Authority, 1993.

Hauser, S., A. Levy and S. Kandel, "Valuation of Warrants with Uncertain Exercise Price on the Tel-Aviv Stock Exchange" (Hebrew), Israel Securities Authority, 1993.

Hauser, S. and Y. Tanchuma, "What Explains The 750% Increase in Prices on the TASE Common Stocks in Israel: 1988-1993" (Hebrew), Israel Securities Authority, 1994.

Hauser, S. and Y. Tanchuma, "The Relationship Between the Price Behavior of Stocks Listed in Israel and in United States" (Hebrew), Isreal Securities Authority, 1994.

Hauser, S. and Y. Tanchuma, "The Effects of Index Option Listing on Volatility and Trading Volume" (Hebrew), Isreal Securities Authority, 1995.

Hauser, S., I. O. Solomon, I. Shohet and Y. Tanchuma, “Corporate Control, Dividend Policy and Management Compensation" (Hebrew), Israel Securities Authority, 1996.

Hauser, S. and A. Levy, “The Relationship Between Volume, Volatility and The Quality of Trading Mecahnism” (Hebrew), Israel Securities Authority, 1996.

Hauser, S. and. Y. Tanchuma, “The Effect of Underwriters on IPOs Pricing” (Hebrew), Israel Securities Authority, 1997.

Hauser, S. and R. Dahan, “Voting Rights and Ownership Structure” (Hebrew), Israel Securities Authority,1998.

Hauser, S. and Y. Tanchuma, “Tests on The Efficiency of The TASE Continuous Electronic Trading System”, (Hebrew), Israel Securities Authority,1998.

Hauser, S. and R. Dahan, “Inside Trading Behavior Around Seasonal Public Offerings” (Hebrew), Israel Securities Authority,1998.

Hauser, S. and B. Lauterbach, “The Value of Voting Rights: Evidence from Dual Stock Unifications” (Hebrew), Israel Securities Authority,1999.

Hauser, S., J. Rosenberg and S. Offir, “Institutional Investors, Corporate Governance and Firm’s Value” (Hebrew), Israel Securities Authority,1999.

Brenner, M., R. Eldor and S. Hauser, “The Price of Options Illiquidity” (Hebrew), Israel Securities Authority, 1999.

Gur, G. and S. Hauser, “The Relationship Between Real Activity, Monetary Policy and Share Prices” (Hebrew), Israel Securities Authority, 2000.

Hauser, S., and Y. Tanchuma, “The Effect of Minimum Trading Unit on Liquidity” (Hebrew), Israel Securities Authority, 2000.

Amihud, A., S. Hauser and A. Kirsh, “Rationing, Adverse Selection and Cascades in IPOs: Evidence from Israel”. (Hebrew), Israel Securities Authority, 2002.

Hauser, S., B. Pilo and I. Shureki, "Trading Halts and the Efficiency of Price Discovery" (Hebrew), Israel Securities Authority, 2002.

Eldor, R., S. Hauser, M. Kahn and A. Kamara: "The Price of Futures No-Tradebility" (Hebrew), Israel Securities Authority, 2003.

Eldor, R., and S. Hauser, "The Impact of Margins on The Efficiency of Options Price Discovery" (Hebrew), Israel Securities Authority, 2003.

Elnathan, D., S. Hauser, and I. Madar-Gavious "On the 'Value' of Expert Valuation of Closely-Held Firms" (Hebrew), Israel Securities Authority, 2003.

Eldor, R., S. Hauser, B. Pilo and I. Shurki, "On the Contribution of Market Makers to the Efficiency of Options Trading in Electronic Exchange".