

## Rıza Demirer

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Southern Illinois University Edwardsville

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### Areas of Interest

**Research:** Investments, Derivatives and Risk Management, Energy & Commodity Markets, Emerging Markets, Real Options, Decision Theory.

**Teaching:** Investments & Portfolio Management, Financial Management, Derivatives & Risk Management, Security Analysis.

### Education

#### **Ph.D. Business**

University of Kansas, Lawrence, Kansas, 2003.

#### **M.S. Operations Research**

Lancaster University, Lancaster, England, 1995.

#### **B.S. Industrial Engineering**

Boğaziçi University, Istanbul, Turkey, 1994.

### Professional Experience

**Research Fellow**, The Economic Research Forum. 2013–To date.

**Graduate Program Director**, Department of Economics & Finance, Southern Illinois University Edwardsville. 2013–To date.

**Associate Professor**, Department of Economics & Finance, Southern Illinois University Edwardsville. 2009–To date.

**Assistant Professor**, Department of Economics & Finance, Southern Illinois University Edwardsville. 2003–2009.

**Instructor**, School of Business, University of Kansas. 1999–2003.

**Research Assistant**, School of Business, University of Kansas, 1997–1999.

**Research Assistant**, Faculty of Management, Bilkent University, Ankara, Turkey, 1996–1997.

**Research Assistant**, Faculty of Economics & Administrative Sciences, Hacettepe University, Ankara, Turkey, 1996.

**Researcher**, Thames Water Inc., Corporate Modeling Group, Reading, England, 1995.

**Researcher**, Arçelik, Research & Development Center, Istanbul, Turkey, 1993–1994.

- Teaching Experience**      *Undergraduate:*  
 FIN 320: Financial Management & Decision Making, SIU Edwardsville.  
 FIN 430: Portfolio Analysis, SIU Edwardsville.  
 BUS 478: Financial Management, University of Kansas.  
 BUS 477: Management Science, University of Kansas.  
 BUS 622: Investment Theory & Applications, University of Kansas.  
*Master of Business Administration:*  
 FIN 527: Corporate Finance, SIU Edwardsville.  
 FIN 541: Investment Theory, SIU Edwardsville.  
*Graduate:*  
 FIN 502: Investment Theory & Analysis, SIU Edwardsville.  
 FIN 528: Security Analysis & Modeling, SIU Edwardsville.  
 FIN 532: Financial Innovations & Engineering, SIU Edwardsville.  
 FIN 596: Research in Finance, SIU Edwardsville.
- Refereed Publications**
- Balcilar, M., R. Demirer, and S. Hammoudeh (2014). What Drives Herding in Developing Stock Markets? Relative Roles of Own Volatility and Global Factors, *North American Journal of Economics and Finance*, forthcoming.
- Demirer, R., A. Kutan and H. Zhang (2013). Do ADR Investors Herd? Evidence from Advanced and Emerging Markets, *International Review of Economics and Finance*, forthcoming.
- Demirer, R. and Jategaonkar, S. (2013). The Conditional Relation Between Dispersion and Return, *Review of Financial Economics* **22**, 125-134.
- Demirer, R. (2013). Can Advanced Markets Help Diversify Risks in Frontier Stock Markets? Evidence from Gulf Arab Stock Markets, *Research in International Business and Finance* **29**, 77-98.
- Balcilar, M., R. Demirer, and S. Hammoudeh (2013). Regime Switching and Investor Herds: Evidence from Gulf Arab Stock Markets, *Journal of International Financial Markets, Institutions & Money* **23**, 295-321.
- Demirer, R., A. Kutan and F. Shen (2012). The Effect of Ethanol Listing on Corn Prices: Evidence from Spot and Futures Markets, *Energy Economics* **34**, 1400-1406.
- Demirer, R., A. Kutan and C. Chen (2010). Do Investors Herd in Emerging Stock Markets? Evidence from the Taiwanese Market, with A. Kutan and C. Chen, *Journal of Economic Behavior & Organization* **76**, 283-295.

Demirer, R. and A. Kutan (2010). The Behavior of Crude Oil Spot and Futures Prices around OPEC and SPR Announcements: An Event Study Perspective, *Energy Economics* **32**, 1467-1476.

Demirer, R., J. M. Charnes and D. Kellogg (2007). Influence Diagrams for Real Options Valuation, *Journal of Finance Case Research* **9**, No. 1 (Spring 2007), 43-70.

Demirer, R., R. Mau, and C. Shenoy (2006). Bayesian Networks: A Decision Tool to Improve Portfolio Risk Analysis, *Journal of Applied Finance* (Winter 2006), 106-119.

Demirer, R. and A. Kutan (2006). Does Herding Behavior Exist in Chinese Stock Markets? *Journal of International Financial Markets, Institutions & Money* **16**, 123-142.

Demirer, R. and P. P. Shenoy (2006). Sequential Valuation Networks for Asymmetric Decision Problems, *European Journal of Operational Research* **169**, No. 1, 286-309.

Demirer, R. and D. Lien (2005). Correlation and return dispersion dynamics in Chinese markets, *International Review of Financial Analysis* **14**, No. 4, 477-491.

Ekşioğlu, B., R. Demirer and I. Çapar (2005). Subset Selection in Multiple Linear Regression: A New Mathematical Programming Approach, *Computers & Industrial Engineering* **49**, No. 1, 155-167.

Demirer, R., D. Lien and D. Shaffer (2005). Comparisons of Short and Long Hedge Performance: The Case of Taiwan, *Journal of Multinational Financial Management* **15**, No. 1, 51-66.

Demirer, R. and D. Lien (2004). Firm-level Return Dispersion and Correlation Asymmetry: Challenges for Portfolio Diversification, *Applied Financial Economics* **14**, 447-456.

Demirer, R. and D. Lien (2003). Downside Risk for Short and Long Hedgers, *International Review of Economics and Finance* **12**, No. 1, 25-44.

Demirer, R. and M. B. Karan (2002). An Investigation of the Day-of-the-Week Effect on Stock Returns in Turkey, *Emerging Markets Finance and Trade* **38**, No. 6, 47-77.

Demirer, R. and P. P. Shenoy (2001). Sequential Valuation Networks: A New Technique for Asymmetric Decision Problems,” *Lecture Series in Artificial Intelligence* **2143**, S. Benferhat, P. Besnard (Eds.), Springer-Verlag Berlin Heidelberg, 252–265.

**Refereed  
Proceedings  
and  
Presentations**

“Regional and Global Spillovers and Diversification Opportunities in the GCC-Wide Equity Sectors Across Market Regimes,” Allied Social Sciences Association 2014 Annual Meeting, Philadelphia.

“Is there an oil risk premium in oil exporting stock markets? An asset pricing perspective,” Middle East Economic Association 2014 Annual Meeting, Philadelphia.

**Invited speaker**, “Risk Management in Emerging Markets,” 5th Izmir Economic Congress, Izmir (Oct. 30–Nov. 1, 2013).

“Do foreign investors drive investor herds in emerging markets? Evidence from the segmented Chinese markets,” Financial Management Association International 2013 Annual Meeting, Chicago.

**Invited speaker**, “Impact of Global Shocks and Volatility on Herd Behavior in an Emerging Market: Evidence from Borsa Istanbul,” Borsa Istanbul Finance and Economics Conference (BIFEC), Istanbul (Sep. 30–Oct. 1, 2013).

“The Conditional Relation Between Dispersion and Return,” Midwest Finance Association 2013 Annual Meeting, Chicago.

“Do Global Shocks Drive Investor Herds in Oil–Exporting Frontier Markets?” Allied Social Sciences Association 2013 Annual Meeting, San Diego.

“Regime Switching and Investor Herds: Evidence from Gulf Arab Stock Markets,” Western Economic Association International 2012 Annual Meeting, San Francisco.

**Invited speaker**, The Middle East Conference–The Economic Context: Resources, Globalization and Prosperity. Stephen F. Austin State University, Houston (Oct. 18–19, 2012).

“Regime Switching and Investor Herds: Evidence from Gulf Arab Stock Markets,” Allied Social Sciences Association 2012 Annual Meeting, Chicago.

“The Benefits of Portfolio Diversification in the GCC Stock Markets,” Allied Social Sciences Association 2011 Annual Meeting, Denver.

“The Impact of Ethanol Trading on Corn Prices,” The Academy of Finance 2010 Annual Meeting, Chicago.

“Investor Herds and Oil Prices: Evidence from GCC Stock Exchanges,” Allied Social Sciences Association 2010 Annual Meeting, Atlanta.

“The Middle East Turmoil and the Risk Premium in Crude Oil Futures,” Multinational Energy and Value Conference 2009, Istanbul.

“The Behavior of Crude Oil Spot and Futures Prices around OPEC and SPR Announcements: An Event Study Perspective,” Allied Social Sciences Association 2009 Annual Meeting, San Francisco.

“An Analysis of Cross-Country Herd Behavior in Stock Markets: A Regional Perspective,” Allied Social Sciences Association 2008 Annual Meeting, New Orleans.

“Does OPEC Matter? OPEC Announcements and Oil Price Stability,” Allied Social Sciences Association 2007 Annual Meeting, Chicago.

“Bayesian Networks: A Decision Tool to Improve Portfolio Risk Analysis,” Financial Management Association 2006 Annual Meeting, Salt Lake City.

“The Middle East Turmoil and Time-Varying Risk Premium in Crude Oil Futures: Implications for Risk Managers,” Financial Management Association 2005 Annual Meeting, Chicago.

“An Analysis of Investor Herds in Chinese Markets: A-shares vs. B-shares.” Midwest Finance Association 2005 Annual Meeting, Milwaukee.

“The Middle East Turmoil and Crude Oil Futures Dynamics,” Allied Social Sciences Association 2005 Annual Meeting, Philadelphia.

“Comparisons of Short and Long Hedge Performance in an Emerging Market.” Financial Management Association 2003 Annual Meeting, Denver.

“Asymmetric Correlations of Futures Markets and Optimal Hedging.” Financial Management Association 2002 Doctoral Consortium. Financial Management Association 2002 Annual Meeting, San Antonio.

“Firm-Level Return Dispersion and Correlation Asymmetry: Challenges for Portfolio Diversification.” Financial Management Association 2002 Annual Meeting, San Antonio.

“Decision Tools to Improve Security Analysis,” Southern Finance Association 2002 Annual Meeting, Key West.

“Representing and Solving Real Options with Influence Diagrams: Valuing a Biotechnology Firm,” The Institute for Operations Research and the Management Sciences 2002 Annual Meeting, San Jose.

“Downside Risk for Short and Long Hedgers.” Midwest Finance Association 2002 Annual Meeting, Chicago.

“A New Measure to Test Herd Formation in Equity Markets.” Financial Management Association 2001 Annual Meeting, Toronto.

“Sequential Valuation Networks: A New Technique for Asymmetric Decision Problems.” Sixth European Conference on Symbolic and Quantitative Approaches to Reasoning with Uncertainty (EC-SQARU) 2001, Toulouse, France.

“A Note on Asymmetry in Decision Problems.” The Institute for Operations Research and the Management Sciences 2000 Annual Meeting, San Antonio.

“Sequential Valuation Networks and Solution of Asymmetric Decision Problems.” The Institute for Operations Research and the Management Sciences 1999 Annual Meeting, Philadelphia.

### **Working Papers**

“Regional and Global Spillovers and Diversification Opportunities in the GCC-Wide Equity Sectors Across Market Regimes,” with S. Hammoudeh and M. Balcilar.

“Do foreign investors drive investor herds in emerging markets? Evidence from the segmented Chinese markets,” with S. Hammoudeh and M. Balcilar. *Under review*

“Commodity Financialization and Herding Behavior in Futures Markets,” with D. Lien and H. Lee. *Under review*

“Risk and return in the Chinese stock market: Does equity return dispersion proxy risk?” with C. Chen and S. Jategaonkar. *Under review*

“Do global shocks drive herding behavior in oil-exporting frontier markets?” with M. Balcilar, S. Hammoudeh and A. Khalifa. *Under review*

“The Geopolitical Risk Premium in Crude Oil Futures,” with A. Kutan.

“Impact of Global Shocks and Volatility on Herd Behavior in an Emerging Market: Evidence from Borsa Istanbul,” with M. Balcilar. *Under review*

“Non-OPEC News and Crude Oil Dynamics: Evidence from Spot and futures Markets,” with A. Kutan.

“Extreme Correlations of Futures Markets and Optimal Hedging,” with J. Charnes.

### **Research In Progress**

“Is there an oil risk premium in oil exporting stock markets? An asset pricing perspective,” with S. Jategaonkar and A. Khalifa.

“Investor Herds and Oil Prices: Evidence from GCC Stock Exchanges,” with T. Ulussever.

“Optimal Hedges in Good Times and Bad”

### **Awards & Consortia**

*Teaching Recognition Award* at Southern Illinois University Edwardsville, 2008.

Nominated by the School of Business for the 2008 Teaching Excellence Award at Southern Illinois University Edwardsville.

*Outstanding Research Paper Award*, Bagley College of Engineering, Mississippi State University, 2006.

*Doctoral Consortium*, 2002 Financial Management Association (FMA). Highly selective criteria, with participation restricted to only 40 doctoral students.

University of Kansas *Dissertation Fellowship* (Spring and Fall 2002).

John O. Tollefson *Doctoral Student Teaching Award*, University of Kansas (2000–2001).

Emil B. Dade scholarship in Business, University of Kansas (1998, 1999, 2000).

Dean’s List, University of Kansas (1997, 1998, 1999, 2000, 2001).

British Council Scholarship, 1994.

Honor Degree from Boğaziçi University, Turkey, 1994.

Ministry of Education Scholarship, 1989–1994.

**Service***University Level:*

University Research Council (2007–To date).

University Curriculum Council (2010–To date).

Faculty Senate (2010–To date).

Academic Standards & Policies Committee, **chair** (2010–To date).

Committee for Higher Administrator Performance Appraisal (2009–To date).

Research & Development Committee (2007–2008).

Faculty advisor for chancellor scholar student (2005–2010).

Faculty advisor for Turkish–American Students and Friends Association student organization at SIUE (2004–2008).

*School Level:*

MBA Implementation & Assessment Committee (2008–To date).

MBA Admission & Retention Committee (2005–To date).

MBA Curriculum Committee (2007–2008).

Research & Projects Committee (2012–To date).

Scholarships & Awards Committee (2009–To date).

Graduate Curriculum Committee (2007–2008).

*Department Level:*

Graduate program director, MS. in Economics & Finance (2013–To date).

Graduate program advisor (Finance track), MS. in Economics & Finance (2009–To date).

Graduate program admission committee, MS. in Economics & Finance (2004–To date).

Undergraduate curriculum committee(2005–2006).

Faculty advisor for Financial Management Association student organization at SIUE (2004–2007).

Finance faculty candidate search, 2004, 2005, 2008, 2009.

**Reviewer**

Bulletin of Economic Research, Emerging Markets Finance and Trade, Financial Management, International Journal of Economic Sciences and Applied Research, International Journal of Pharmaceutical Medicine, International Journal of Revenue Management, International Review of Economics and Finance, International Review of Financial Analysis, Journal of Banking and Finance, Journal of Economic Dynamics and Control, Journal of Economics and Business, Journal of Economics and Finance, Journal of International Financial Markets, Institutions & Money, Quantitative Finance, Quarterly Journal of Business and Economics, Quarterly Review of Economics and Finance, Review of Futures Markets, The Journal of the Utah Academy of Sciences, Arts, and Letters.

National Science Foundation *Decision, Risk, and Management Science - Economics* program

National Science Foundation *Decision, Risk, and Management Science* program

External reviewer for internal research grants submitted to King Fahd University of Petroleum and Minerals, Saudi Arabia.

**Research  
Grants**

STEP(Seed Grants for Transitional and Exploratory Projects) Award 2013: Prepared and submitted proposal for funding through General Research Funds at Southern Illinois University Edwardsville. Title of study: “Market Regimes and Speculative Herding in Energy Markets: A Markov Switching Approach”. \$15,008.

FDF (2009–2013) funding through faculty development funds in the School of Business at Southern Illinois University Edwardsville. \$600.

STEP(Seed Grants for Transitional and Exploratory Projects) Award 2010: Prepared and submitted proposal for funding through General Research Funds at Southern Illinois University Edwardsville. Title of study: “Investor Herds in the U. S.Commodity Markets: Evidence from Grains, Precious Metals and Energy Markets”. \$8,000.

SRF (2009) Prepared and submitted proposal for funding through General Research Funds at Southern Illinois University Edwardsville. Title of study: “The Impact of Ethanol Trading on Gasoline and Corn Markets”. \$4,000.

FDF (2008) funding through faculty development funds in the School of Business at Southern Illinois University Edwardsville. \$700.

FDF (2007) funding through faculty development funds in the School of Business at Southern Illinois University Edwardsville. \$500.

FDF (2007) funding through faculty development funds in the School of Business at Southern Illinois University Edwardsville. \$1,364.

SRF (2007)Prepared and submitted proposal for funding through General Research Funds at Southern Illinois University Edwardsville. Title of study: “Is there a best time for U.S. investors to invest in emerging markets?”. \$8,000.

FDF (2006) funding through faculty development funds in the School of Business at Southern Illinois University Edwardsville. \$4,522.

FUR (2006)Prepared and submitted proposal for funding through General Research Funds at Southern Illinois University Edwardsville. Title of study: “Does OPEC Matter? OPEC Announcements and Oil Price Stability”. \$6,500.

FUR (2004)Prepared and submitted proposal for funding through General Research Funds at Southern Illinois University Edwardsville. Title of study: “Optimal Hedges in Good Times and Bad: Options vs. Futures”. \$6,500.

GRF(2002) Prepared and submitted proposal for summer funding through General Research Funds at the University of Kansas. Title of study: “Optimal Hedges in Good Times and Bad,” with John M. Charnes. \$5,000.

GRF (2001) Prepared and submitted proposal for summer funding through General Research Funds at the University of Kansas. Title of study: “A New Measure to Test Herd Formation in Equity Markets,” with Donald Lien. \$3,700.

GRF (2000) Prepared and submitted proposal for summer funding through General Research Funds at the University of Kansas. Title of study: “Conditional VaR under Alternative Return Distributions,” with Donald Lien. \$3,700.

GRF (1999) Prepared and submitted proposal for summer funding through General Research Funds at the University of Kansas. Title of study: “Sequential Valuation Networks for Asymmetric Decision Problems,” with Prakash P. Shenoy. \$3,700.

**Technical Skills**

**Operating Systems:** DOS, Windows, UNIX.

**Languages:** C, Borland Delphi (software builder), Visual Basic, HTML.

**Applications:** Eviews, SPSS, RATS, SAS, Statistica, Minitab, Cplex, Lindo, Siman, Latex.

Artificial Intelligence & Decision Analysis software: Cadet, Hugin, Netica, DATA.

**Professional Affiliations**

American Finance Association (AFA)

Financial Management Association (FMA)

Midwest Finance Association (MFA)

Middle East Economic Association (MEEA)

U.S. Association for Energy Economics (USAEE)

Turco-British Fellowship Club