

UNION COLLEGE
ECONOMICS DEPARTMENT

NEWSLETTER

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Greetings from the Department Chair

by YOUNGHWAN SONG, Department Chair

Greetings from Lippman Hall, Home of the Economics Department at Union!

I am delighted to share an update on the Economics Department in the Newsletter.

Professor [Ercan Karadas](#) is leaving us after teaching various economics courses over the last five years. He taught ECO 242 Macro Theory & Policy, ECO 243 Intro to Econometrics, ECO 312 Seminar in Forecasting, and ECO 338 Quantitative Methods in Economics. The Department is grateful for his dedicated service and wishes him the best in his new journey after Union.

The Department is excited to have Professor [Mohit Arora](#) as a new visiting assistant professor beginning this fall. Professor Arora is expected to earn his PhD in economics from the University of Massachusetts, Amherst, this June. His primary areas of research and teaching interests are Macroeconomics, Development Economics, and Quantitative Methods. He will teach ECO 242 Macro Theory & Policy, ECO 338 Quantitative Methods in Economics, and ECO 380 Seminar in Economic Growth and Development. Please note that the Department now has two professors named Arora who teach Macroeconomics: Mohit Arora and [Prateek Arora](#). I hope this is not as confusing as having two professors named Schmidt, [Shelton Schmidt](#) and [Stephen Schmidt](#), in the Department for over twenty years. They both taught Intro to Econometrics until Professor Shelton Schmidt's retirement in 2023.

For the first time this fall, the Department will offer two courses under the new finance subject code (FIN): FIN 112 Personal Finance and FIN 313 Capital Markets. FIN 112 Personal Finance, taught by Professor [John Cozzolino](#), examines how individuals make decisions related to personal finance in areas such as cash management, saving, budgeting, investing, borrowing, and managing risk. FIN 313 Capital Markets, taught by Professor David Katz (economics class of 1984), will provide students with a strong background on critical concepts and tools for understanding and

working in the investment world, covering capital markets, portfolio management, and security analysis.

The Department would like to congratulate Senior [Ryo Hashimoto](#), the winner of the Elias Peissner Prize this year. The Elias Peissner Prize is awarded to an economics major who has done work of outstanding merit. It was established in 2007 in memory of [Elias Peissner](#), a German and Political Economy professor at Union College who died as a colonel in the Union Army during the Civil War. Hashimoto, an economics major with a minor in computer science, wrote his thesis "Do Investors Understand Portfolios with ETFs? Investor Awareness of ETFs' Contributions to Portfolio" under the supervision of Professor [Tomas Dvorak](#).

The Department would also like to congratulate Senior [Anton Tatus](#), this year's winner of the Josephine Daggett Prize, one of the two most prestigious awards at Union, which is given annually to a senior of the best conduct and character. Tatus, an economics major from Ukraine, has been a tireless activist against the Russian invasion of Ukraine, giving multiple talks on the war to Union students and local communities and collecting and delivering funds and supplies for a medical center in Kyiv.

First-year students! Your sophomore year, not junior year, is when you start looking for junior summer internships in finance and accounting: see this article in the Wall Street Journal on internships ([December 14, 2023](#)), which also featured many photos of the students in our Finance Bootcamp. [Liz Wintrich](#), an Equity Sales trader at RBC in NYC and an alumna (class of 1993) involved in the [UFN Bootcamp](#), met with first-year students last April and alerted them to seek junior internships in the sophomore fall.

I wish you all a restful summer break!

YOUNGHWAN SONG, Department Chair

Student Investment Fund Update

By: Allyson Bennett '26



PICTURED: STUDENTS HEARING FROM DAVID KATZ ON APRIL 3, 2024. COURTESY OF PROFESSOR DVORAK

This spring term, students in Union's Student Investment Fund met alumni, received valuable information about the investment portfolio, and pitched 3 new stocks and one sector reallocation. Presidents Jake Ben-Ishay '24, Haba Kiiza '25, and Veronica Lopez '25 lead the investment fund through an impactful term.

The fund is currently worth approximately \$900,000, with the largest 5 holdings making up approximately 40% of the portfolio. The largest holding is Amazon, worth \$105,000, followed by Google, worth \$96,000, and Apple, worth \$66,000. 36% of the portfolio is invested in ETFs, but no mutual funds. Approximately \$120,000 is invested in SGOV, an effective cash account.

At the end of the winter term, the real estate team successfully pitched Prologis, a real estate logistics company, led by Dionis Polanco '24. Throughout the term, the stock has decreased about 20% in the portfolio for a \$2,500 loss. This is one of the sector's first trades in several years.

The term began with David Katz '84 of Matrix Asset Advisors coming to speak to the fund about his investment strategies, and his recommendations for the portfolio. He taught students about the Matrix asset strategy and recommended that the portfolio not hold more than 8% of its holdings in one stock, and

recommended against the portfolio's 15% holdings in a cash account (SGOV).

In May, the investment fund welcomed back several alumni to discuss their early careers: Andrew Wurts '23, Osi Bialunska '23, Ben Weinstein '20, and Alexander Kozikowski '18 spoke about getting into the financial services industry and their jobs. On alumni weekend, members of the investment fund met with alumni to discuss the portfolio and network.

During weeks 9 and 10 of the term, 4 sectors made pitches to the fund. The healthcare sector, led by Liam Moran '25, pitched Seimens (SIEGY), a healthcare automation company, and the emerging markets sector, led by Thanh Tung Nguyen '27 pitched BYD Auto (BYD), an electric car company based in China. The technology sector, led by Reid Vanslette '26, pitched Meta, and the ETF sector, led by Allyson Bennett '26, proposed to reallocate funds from VTI to SPY, and increase the shares in XSD from 50 to 100.

The fund looks forward to an impactful 2024-2025 academic year. Faculty advisors are currently selecting new presidents of the fund, and sector leaders will be chosen at the beginning of the fall 2024 term.

Reflecting on a Year of Teaching Accounting at Union

Interview By: Miles Fee '25



I recently had the pleasure of sitting down to speak with John Cozzolino who, this year, took on the role of teaching the Economics Department's wildly popular Survey of

Accounting course. With decades of professional experience, Professor Cozzolino continues the paradigm of Union accounting professors bringing practical knowledge into the classroom. Reflecting on his first year at Union he shared insights into his career journey and his reflections on his transition from the corporate world into academia, as well as plans for the Accounting course and other courses going forward.

Cozzolino, a graduate of Siena College and a certified public accountant, began his career at Coopers and Lybrand, at that time one of the big eight accounting firms, before transitioning to Albany International Corporation where he stayed for 25 years working in various roles including finance, strategic planning and treasury before joining the C-Suite as the company's Chief Financial Officer for his last 10 years there. After his 25-year tenure at Albany International, he moved on to Keymark, a Florida and New York based manufacturing company, where he stayed until August of last year as their CFO.

Cozzolino describes his path to Union College as serendipitous, aligning with the retirement of his predecessor, Professor James Gavin, and his own desire for a new challenge after retiring from his full-time CFO roles. Cozzolino had been a frequent guest lecturer at Union, sharing insights from his career with students in workshops and when contacted by Professor Dvorak about the opening of the roll last fall, the timing lined up too well to pass the opportunity by. Reflecting on his decision

to come to Union, Cozzolino emphasized the college's reputation and its commitment to providing a well-rounded education. "Union is a highly regarded school," he noted, highlighting the opportunity to impart practical knowledge to students eager to understand the intersection of accounting with broader disciplines.

Teaching at Union has been a fulfilling experience for Cozzolino, who commended Union students' professionalism and eagerness to learn. "There is a demand from students to understand accounting principles, not just for careers in accounting, but to apply these skills across various fields," he remarked.

Looking ahead, Cozzolino is enthusiastic about expanding the curriculum with a new course on personal finance, recognizing the importance of financial literacy beyond traditional accounting education. "I've seen a huge demand for this," he shared, "students recognize the value of understanding personal finance for their futures."

In closing, Cozzolino expressed his admiration for Union College's campus and community, underscoring his commitment to enhancing students' skill sets and supporting the college's mission in the liberal arts and sciences. His dedication to bridging academic theory with real-world application continues to enrich the Union College Economics Department's educational offerings.

For students considering a path in accounting, Cozzolino offers the advice: "Accounting is kind of the language of business; It tells you what has happened and you want to understand that no matter what your role is in an organization, and I love to be able to teach it that way."

As he concludes his first year at Union, Cozzolino remains optimistic about the future, poised to further enrich students' educational experiences with his practical wisdom and passion for teaching.

Women in Economics Alumnae Panel Spring 2024

By: Linh Nguyen, Ananya Gupta and Raimah Ali



Women in Economics hosted its first in-person Alumnae Panel of this academic year on May 17th, 2024. The event featured Jessie Yuan '14, Ran Wang '15, and Miaoqing Jia '16, each bringing unique perspectives and experiences from various sectors. From finance to academia, they exemplified the breadth of opportunities available to those with economics and mathematics degrees. Attendees gained invaluable insights into how their studies could translate into impactful and dynamic careers, underscoring the versatility and relevance of economics in today's ever-evolving job market.

Jessie Yuan, Class of 2014, graduated from Union with a major in Mathematics and minors in Economics and Dance. She pursued an M.S. in Actuarial Science from Columbia University and has been with LIMRA since 2017, currently serving as Assistant Vice President, leading a data analytics team.

Ran Wang, Class of 2015, majored in Economics and minored in Mathematics at Union. She earned an M.S. in Operations Research from Columbia University and an MBA from Rice University in 2022. She now works as a Product Pricing Advisor at Dell Technologies.

Miaoqing Jia, Class of 2016, graduated with a double major in Economics and Mathematics. She completed her Ph.D. at Boston University in 2022 and now serves as a Model Validator at PNC Bank.

During the panel, the alumnae shared their academic journeys, highlighting how the combination of Economics and Mathematics opened numerous pathways in both academia and industry. They discussed specific

coursework and the benefits of their academic background.

When asked about their inspiration for pursuing further studies, Dr. Jia shared her passion for research and academia, while Ran Wang discussed how she strategically aligned her advanced degrees with her career aspirations. Their advice emphasized the importance of exploring and defining career paths early on.

Addressing challenges faced as female professionals in economics, Jessie Yuan shared insights on being a woman in the financial industry, advising the audience to remain determined and authentic. Ran Wang and Dr. Jia echoed the sentiment, emphasizing the importance of recognizing one's worth and strengths and always putting forth one's best effort.

The alumnae stressed the significance of creativity and critical thinking in their fields, particularly in a technologically evolving world with the emergence of AI. They noted that authenticity and a passion for one's career naturally lead to success through hard work and innovative problem-solving.

The event was successful thanks to the guidance and support of Professors Song Youngwhan, Alicia Dang, Eshragh Motahar, and Fuat Sener from the Economics Department, and Professors Leila Khatami and Ellen Gasporovic from the Mathematics Department. We extend our gratitude to the enthusiastic attendees for their thought-provoking questions, and to Jessie, Ran, and Dr. Jia for their invaluable advice, guidance, wisdom, and encouragement. We look forward to future events and continued engagement with our esteemed alumnae.



Let's Talk Thesis



Name: Ryosuke Hashimoto

Major: Economics

Minor: Computer Science

Previous Internships:

Investment Banking (Cross-border M&A) Summer Analyst @BDA Partners, Investment Banking Analyst @Bank of America

Job after graduation: US IG Credit Portfolio Management, BlackRock

Thesis Advisor: Professor Dvorak

Thesis Topic: Do Investors Understand Portfolios with ETFs? Investor Awareness of ETFs' Contributions to Portfolio Exposure

Describe Your Thesis: Our thesis explores the complexities of exchange-traded funds (ETFs) and the level of investor awareness surrounding them. ETFs are extremely popular for their ease of trading, transparency, and lower costs. At Union College specifically, about a quarter of the community, including students, faculty, and staff, own some

form of ETFs. My research delves into whether investors truly grasp the complexities and risks involved. My central research question was: How well do investors understand the actual risk associated with their investment in ETFs? Essentially, when people purchase an ETF thinking it will provide diversification, do they truly know what they are buying through that ETF? Are they aware of the constituents of that ETF?

To address this question, I developed a computer system that disaggregates ETFs to reveal the true exposure to individual stocks. My campus-wide survey confirmed that conventional information provided to the investors through brokerage platforms etc are often insufficient, leaving investors with a false sense of security.

Describe your key thesis findings:

The traditional methods of portfolio visualization and the information typically available to investors are often inadequate, resulting in a false sense of security.

Why did you choose this topic: Credit goes to Professor Dvorak for inspiring this research. It began when he shared the challenges of disaggregating ETFs into their constituents. He was trying to understand the exposure of the Student Investment Fund's ETFs. His comment ultimately led to my exploration of this topic.

How has the Economics Department Prepared you for your Thesis:

I remember taking a seminar class with Professor Cheng on International Finance, where we had the chance to write a mini thesis at the end of the term. This experience of practicing thesis writing on a smaller scale provided me with an excellent opportunity to prepare for my full-scale thesis.

What has been the most challenging part of your thesis:

The most challenging part of my thesis was finding a topic with publicly available data. Many areas I was personally interested in had either been extensively explored in the past or required costly data access.

What has been the most rewarding part of your thesis:

It felt great when Professor Dvorak told me that the paper was well written. Knowing him for a while, I can say he is not the easiest to please, so this feedback was particularly gratifying.

Looking back on your experience, what advice would you give a current or future Union economics student:

Start thinking about your thesis early and try to explore different topics before your senior year.

Favorite Economics Course: Chinese Economy with Professor Cheng

What are you involved with on campus:

SIF (Fr, Sp year only), Japan Club, International Admissions, International Programs (Study Abroad Office), Bloomberg Student Consultant

COMPILED BY MILES FEE '25

Name: Cole Abdinoor



Major: Economics

Minor: Data Analytics & History

Previous Internships: Wealth Management Intern at Morgan Stanley

Job after graduation: Customer Relationship Advocate at Fidelity Investments

Favorite Economics Course: Monetary Economics

Thesis Advisor: Prateek Arora

Thesis Topic: Reassessing the short term relationship between Exchange Rates and Interest Rate Differentials: A High Frequency Data approach

Describe Your Thesis: My thesis, "Reassessing the Short-Term Relationship Between Exchange Rates and Interest Rate Differentials: A High-Frequency Data Approach," explores the potential of forecasting exchange rate movements by examining the relationship between interest rate differentials and exchange rates among G7 countries. Using daily data from 2015 to 2023, I analyzed how interest rate differentials, oil prices, and market indices impact exchange rates vis-à-vis the US dollar. Through various econometric models, including linear regression and lagged variable approaches, I addressed issues of endogeneity and sought to provide empirical evidence supporting the Uncovered Interest Rate Parity (UIRP) theory. My research challenges the prevailing notion that exchange rate movements are unpredictable, proposing that high-frequency data can offer more accurate forecasting methods, potentially rivaling the widely accepted random walk model.

Why did you choose this topic: The choice of this topic stemmed from a deep fascination with exchange rates and their crucial role in international economics. The dynamic fluctuations of exchange rates and their impact on global trade and investment have always been captivating. By exploring the relationship between interest rate differentials and exchange rates using high-frequency data, this research aimed to uncover patterns and develop predictive models. This study aligned with a

personal passion and sought to enhance the understanding of exchange rate behavior, allowing me to learn further in this topic.

Describe your key thesis findings: The key findings of my thesis highlight that the most accurate predictor of future exchange rate movements is the lagged exchange rates themselves. The research found that the coefficient of lagged exchange rates on future exchange rates is nearly 1, indicating a strong correlation. Other variables, such as lagged interest rate differentials, oil prices, and market index differentials, were not statistically significant in predicting exchange rate movements. This conclusion supports Rossi's theory that the random walk model, which uses past exchange rates to predict future rates, is the most reliable method. The hypothesis that interest rate differentials could predict exchange rate movements was not supported when additional control variables were included in the model, demonstrating that these differentials alone are not significant predictors.

How has the Economics Department prepared you for your thesis: The Economics Department provided invaluable support throughout the research process. The faculty's expertise and guidance were crucial in refining the research question and methodology. Access to advanced software and high-frequency data sets enabled thorough analysis. The department's collaborative environment fostered productive discussions and feedback, enhancing the research quality.

Looking back on your experience, what advice would you give a current or future Union economics student: I would advise students preparing for their economics thesis to take the time to find a research topic they are passionate about and can explore deeply. Choosing a subject that truly interests you will keep you motivated through challenges and ensure a rewarding experience. A well-chosen topic allows you to dive deeply into the research, making the process more engaging and fulfilling. Passion and interest are key to producing meaningful and impactful work.

What are you involved with on campus: Fun fact/hidden talents or interests: I am a part of the Chi Psi Greek organization, Union crew team, as well as many other clubs on campus.

COMPILED BY ALEXANDER CHAN '25