Mario E. Negrete

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Education

Ph.D. The Ohio State University, *Columbus* *2021*
Economics: with fields in macroeconomics and asset pricing
Dissertation: An empirical analysis of momentum returns in equities and currencies
Chair: Prof. Pok-Sang Lam

M.A. The Ohio State University, *Columbus* *2016*
Economics

B.A. Center for Research and Teaching in Economics (CIDE), *Mexico City* *2013*

Teaching Experience

Assistant Professor of Economics *Washington and Lee University*		
Class	**Class size**	**Semester**
Econ 211 Intermediate Macroeconomics	Two sections of 19 students	2022 Wn
Econ 100 Introduction to Economics	Two sections of 19 students	2021 Au
Independent Instructor *The Ohio State University*		
Class	**Class size**	**Semester**
Econ 2367.01 Economic Issues in the United States	45 students	2020 Sp and Au & 2021 SP
Econ 4002.01 Intermediate Macroeconomics	85 students	2018 Au & 2019 Sp and AU
Econ 4130 World Economic Development History	40 students	2019 Su & 2020 Su
Teaching Assistant Administrator *The Ohio State University*		
Class	**Class size**	**Semester**
Econ 2001.01 Introductory Microeconomics	600 students	2018 Sp
Econ 2002.01 Introductory Macroeconomics	600 students	2017 Au
Teaching Assistant *The Ohio State University*		
Class	**Class size**	**Semester**
Econ 2001.01 Introductory Microeconomics	Three sections of 40 students	2017 Sp
Econ 2002.01 Introductory Macroeconomics	Three sections of 40 students	2016 Au

Research of Interests

*Asset pricing *Macroeconomics *International Economics

Government Positions

Bank of Mexico (Central Bank) *July 2013 – June 2015*
Junior Economist at Regional Economic Research Department. Contributed to the elaboration of the Beige book. Analyzed employment, inflation, and GDP time series at state level.

Research Program
Dissertation: Hedging strategies for equity and currency momentum portfolios.
Summary: I code in SAS to analyze stocks datasets (WRDS) and currency datasets (Datastream). I form equity and currency momentum portfolios. I design ex-post hedging strategies based on portfolios' beta and volatility to understand the nature of returns and increase portfolios' profitability.

Awards
Departmental citations for Excellence in Teaching (The Ohio State University) *October 2019*
Mexican National Science Foundation (CONACyT) *August 2015*
Five years of funding
Mexican National Mathematical Olympiad, Honorable Mention *June-2008*

Languages
Spanish: Native
English: Fluent
French: Fluent speaker, DALF C1
German: Basic, 400 hours of classes

Software
*SAS *Excel *R *MATLAB

Working Papers

Negrete, Mario E. "Hedging strategies for equity momentum portfolios with transaction costs: An empirical investigation".

Abstract

Momentum portfolios offer high returns with frequent crashes. The hedging strategies designed to mitigate losses of momentum portfolios are not implementable for two reasons: they ignore transaction costs and use parameters constructed with future information that could not have been known at the time of implementation.

I use the price spreads available in CRSP from 1992 to 2018 to estimate covering strategies for momentum portfolios with transaction costs then use a 15-year rolling window to update the parameters of the hedging strategy every month so that it only depends on ex ante information.
Lastly, I document the existence of a volatility smile that allows for the prediction of extreme losses of momentum portfolios: episodes of high volatility of a proxy variable are strongly related to episodes of extreme returns in the momentum portfolio. The volatility smile explains the predictability of momentum crashes and explains the success and limitations of covering strategies.

In the presence of transaction costs, the expected excess return of the uncovered momentum portfolio falls from 18.70% to 12.49% and the Sharpe ratio decreases from 0.64 to 0.23. The covering strategy designed in this project increases the expected return to 16.16% and the Sharpe ratio to 0.49 after considering transaction costs.

References
Available upon request

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