# Hugo Benedetti

ESE Business School, Universidad de los Andes  Email: hbenedetti.ese@uandes.cl
Av. La Plaza 1905, Las Condes  Phone: (+56) 9 5866 6522
Santiago, Chile  Web: www.hugobenedetti.com

I am an experienced academic with research interests on entrepreneurial finance, venture capital and FinTech. My current research agenda focuses on the asset pricing implications for financial instruments that implement blockchain-enabled technologies. In terms of teaching, I have designed and taught finance and economics courses at undergraduate, graduate and executive programs, as well as special interest workshops, trainings and entrepreneurial events. In my lectures, I aim to combine financial theory with real-world examples from current financial news, guest practitioners and my corporate background.

I am an Assistant Professor and the Academic Director of the Master in Finance and Investments program at ESE Business School, Universidad de los Andes. I frequently deliver workshops in entrepreneurial finance, venture capital and FinTech (particularly blockchain technology and blockchain enabled assets) to incubators, angel investor networks and venture capital funds. I have advised and mentored several FinTech and blockchain projects. Previously, I served as Director of the M.Sc. in Finance at Universidad del Desarrollo and lectured graduate and undergraduate courses at several top ranked universities in Chile. Before joining academia, I co-founded a financial advisory boutique and held leadership roles in corporate finance, financial advisory and venture capital at world-class companies.

## EDUCATION

**Ph.D in Finance,** Boston College, 2019.
**M.Sc. in Finance,** Magna Cum Laude, Universidad de Chile, 2007.
**B.Sc. in Economics,** Cum Laude, Universidad de Chile, 2003.

## ACADEMIC POSITIONS

**ESE Business School, Universidad de los Andes (Chile),** Fall 2019 - Present
*Assistant Professor, Academic Director Master in Finance and Investments*

**Massachusetts Securities Division,** March 2019 - Present
*FinTech Working Group Member*

**MIT Digital Currency Initiative**: Fall 2018-Spring 2019
Stable Coins, Decentralized Exchanges and Security Tokens working group
- Prepare industry primers and executive presentations on each topic of the working group

**MIT Enterprise Forum,** 2017-2018
*Guest Innovation Committee Member (Blockchain)*

**Boston College** – Carroll School of Management
*Lecturer:* Summer 2018.
- Fundamentals of Finance Undergraduate level.

**Universidad del Desarrollo** – School of Business and Economics, Chile
*Full time Lecturer,* Spring 2011– Fall 2014
- Undergraduate: Advanced Economics, Industrial Organization, Finance I, Finance II,
- Graduate: Econometrics, Microeconomics

*Director of M.A. in Finance Program,* Fall 2013 – Fall 2014
*Coordinator of undergraduate finance track,* Fall 2013 – Fall 2014

**Universidad Adolfo Ibañez** – Graduate School of Business and Economics, Chile
*Lecturer,* Entrepreneurial Finance, graduate level. Fall 2010 – Fall 2011

**Universidad del Desarrollo** – Graduate School of Business and Economics, Chile
*Lecturer,* Entrepreneurial Finance, graduate level. Spring 2008

## WORKING PAPERS

- **"Digital Tulips? Returns to Investors in Initial Coin Offerings" (with Leonard Kostovetsky, revise and resubmit at the Journal of Corporate Finance).**
  Initial coin offerings (ICOs), sales of cryptocurrency tokens to the general public, have recently been used as a source of crowdfunding for startups in the technology and blockchain industries. We create a dataset on 4,003 executed and planned ICOs, which raised a total of $12 billion in capital, nearly all since January 2017. We find evidence of significant ICO underpricing, with average returns of 179% from the ICO price to the first day's opening market price, over a holding period that averages just 16 days. Even after imputing returns of -100% to ICOs that don't list their tokens within 60 days and adjusting for the returns of the asset class, the representative ICO investor earns 82%. After trading begins, tokens continue to appreciate in price, generating average buy-and-hold abnormal returns of 48% in the first 30 trading days. We also study the determinants of ICO underpricing and relate cryptocurrency prices to Twitter followers and activity. While our results could be an indication of bubbles, they are also consistent with high compensation for risk for investing in unproven pre-revenue platforms through unregulated offerings.

  **Presentations:** FMA Annual Meeting (semi-finalist in best paper award).
  **Press coverage:** The Economist, Bloomberg, The Wall Street Journal, Nasdaq, Marketwatch, etc. Top 10 Most Popular Fintech Related Papers on SSRN. SSRN Weekly Top 5 Papers for weeks of 5/28/2018, 6/4/2018, 7/16/2018, 7/23/2018.

- **"The economics of digital token cross-listings" revise and resubmit at the Journal of Corporate Finance.**
  This paper studies the role of cross-listings in the digital token marketplace ecosystem. Using a unique data set of publicly available and hand collected data from

3,625 tokens, traded in 108 marketplaces, I find significant increases in price and trading activity around the date of a token's first cross-listing. Tokens observe a 49% raw cumulative return in the two weeks around the cross-listing date. Global token trading volume is almost 50 times higher after cross-listing. Using the uniquely heterogeneous characteristics of token marketplaces, I am able to identify specific channels for value creation. I provide the first evidence supporting value creation through network effects proposed by recent token valuation models. Consistent with equity cross-listing theory, I find higher returns for cross-listings that reduce market segmentation and improve information production.

**Presentations:** Boston College, HBS Entrepreneurship and Innovation Seminar, Bowdoin College, MIT Digital Currency Initiative, ESE Business School Universidad de los Andes, Babson College, 2nd Toronto Fintech Conference (Best PhD paper Award), FMA Applied Finance Conference, JCF Fintech & Digital Finance Conference, FMA Annual Meeting (semi-finalist in best paper award).
**Press coverage:** MVIS one hundred

- **"Hostile Activism: Hostile Tactics or Hostile Hedge Funds?"**
  I examine reputation building by activist hedge funds and document three new findings regarding hostile activism. First, there is evidence of a permanent reputation effect to hostile activism. Activist hedge funds that have engaged in hostile tactics, receive on average a 3% higher CAR [-10, 10] on their subsequent non-hostile campaigns, compared to hedge funds that have never engaged in hostile tactics. Second, I find that this abnormal return is positively related to the level of hostile reputation of the campaigning hedge fund (measured by the total and relative frequency of past hostile campaigns). Lastly, I find that activist hedge funds with more hostile reputation modify their non-hostile activism style to engage "hostile-like" targets and pursue "hostile-like" objectives, but withhold the use of hostile tactics. I find that in those non-hostile campaigns, hostile-style activists receive a higher announcement period abnormal return that is not explained by target characteristics, hedge fund characteristics, campaigns characteristics or time specific events.

PUBLISHED PAPERS

- **"Nonlinearities and financial contagion in Latin American stock markets"**
  (with Claudio Bonilla, Rafael Romero-Meza and Apóstolos Serletis)
  Economic Modelling, 51, 653-656, December 2015
  We use the Hinich (1996) portmanteau bicorrelation test to graphically represent nonlinear events detected in Latin American stock markets. We identify the starting, the ending, the intensity, and the persistence of nonlinear episodes. The six episodes identified in the period studied were found to be contemporaneous with international financial crises, which allows us to speculate that the contagion caused by financial crises induces nonlinear dependencies. We advocate that this test could be complementary to traditional tests employed in the study of financial contagion. We observe systematic nonlinear structure in the stock index return series that have been associated with temporary lack of market efficiency. This new approach can

help financial analysts and regulators to assess graphically the state of dependence measured by the bicorrelation test as frequently as new information arrives.

## GRANTS/ AWARDS / FELLOWSHIPS

- *Doctoral Fellowship*, Boston College, 2014-2019
- *Doctoral Scholarship,* Becas Chile, Chilean Government     Scholarship 2014-2018
- *Fulbright Scholar,* Faculty Development Doctoral Grant, 2014-2015
- *Stanford Technology Venture Program Fellow* – **Stanford University**, 2014

## PROFESSIONAL/PRO BONO POSITIONS/ OTHER EDUCATION

- *Co-founder* – **BlockInStrat***, 2018 to present
- *Volunteer and Mentor* – **Endeavor Chile**, 2010 to present
- *Corporate Finance Manager* - **Deloitte**, 2010 -2011
- *Co-founder* - **Phi Partners**, 2009 -2010
- *Corporate Finance Area Leader* - **American Appraisal**, 2008 -2009
- *Investment Manager* - **AXA Private Equity**, 2006 -2008
- *Associate Consultant* - **The Boston Consulting Group**, 2004 -2006