GORDON GEMMILL

Faculty of Finance phone: 024-7652-4542
Warwick Business School
University of Warwick email: gordon.gemmill@wbs.ac.uk
Coventry CV4 7AL

Current position
Professor of Finance, Warwick Business School (since September 2004)

Previous positions
Professor of Finance, Cass Business School, City University, 1988-2004
Senior Lecturer, City University Business School, 1983-88.
Senior Research Fellow in Commodities, City University Business School, 1977-83.
Lecturer in Agricultural Economics, London University, 1976-77.
Research Assistant/Associate, Dept. of Agricultural Economics, Michigan State University, 1972-5.
Lecturer in Agricultural Economics, University of Malawi, 1969-71.

Responsibilities
Head of Finance Group, Warwick Business School (since September 2005)
Head of Department of Banking and Finance, City (Cass) 1997-99
Director of MBA(Finance), 1986-91 and 1992-97
Director of Master of European Business, 1994-97
Director of International Programmes , 1992-97
Chair of Validation, MSc at ESCP-EAP (Paris), 2001 - 2004
Organiser of Finance Research Seminars, 1995-98, 2000-2002

Other Appointments
Visiting Professor, Cass Business School, 2004 -
Visiting Professor, University of Aix-Marseille II, 1985/6, 1986/7, 1991/2.
Associate editor, Journal of Futures Markets, 1985-96
Associate editor, Journal of Banking and Finance, 1998-present
Joint editor 1989-95 Commodities Series, published by Routledge
Executive Committee of European Finance Association, 2004 - present

External examiner for MSc in Finance, Imperial College, 2004 -
External examiner for undergraduate finance papers, Trinity College, Dublin, 1998-2002
External examiner for MBA at Said School, Oxford University, 2001-2003
External examiner for MSc programmes, ISMA Centre, Reading University, 1998-2001
External examiner for Ph.D. dissertations at Imperial College, Stirling, Reading, Manchester, Birmingham, Warwick, Lancaster, LSE, Stockholm, Aix-en-Provence.

Consultant at some time over the last two decades to: Citibank, London Clearing House, Baltic Exchange, London Futures and Options Exchange, London International Financial Futures Exchange, Merrill Lynch, International Clearing Services, Office of Fair Trading, Milan Chamber of Commerce, Reuters, London Metal Exchange, Credit Lyonnais, World Gold Council, Smith & Williamson.

Degrees

Ph.D. in Agricultural Economics, 1976, Michigan State University.
M.A. in Economics, 1974, Michigan State University
M.Sc. in Agricultural Management, 1969, Reading University.
B.Sc. in Agriculture with honours (2:1), 1968, London University.

Teaching and Supervision

Awarded a Cass Prize for quality of teaching on Masters' courses in 2002/03
Courses to be given at Warwick Business School in 2005/06:

?? MSc in Economics and Finance – Current Issues in Applied Finance
?? MSc in Finance -- Derivatives

Currently supervising two PhDs at Warwick and two (jointly) at Cass.

Research Interests

?? behavioural finance and investment decisions
?? structural models of credit risk
?? derivatives: option smiles and risk-neutral distributions
?? market microstructure: determinants of bid/ask spreads

External Funding

?? initial position at City University funded for five years by commodity futures markets in London
?? additional funding raised in 1982 to cover next six years

Refereed Publications

"What Drives Credit Risk in Emerging Markets? The Role of Country Fundamentals and Market Co-Movements" (first author Diana Diaz), forthcoming 2006 in Journal of International Money and Finance.

"Noise Trading, Costly Arbitrage and Asset Pricing: Evidence from Closed-End Funds" (with D.C. Thomas), Journal of Finance, 57, December 2002, 2571-2594..

"How Useful are Implied Distributions? Evidence from Stock-Index Options" (with A. Saflekos), Journal of Derivatives, 7, Spring 2000, 83-99.

"Warrants on the London Stock Exchange: Pricing Biases and Investor Confusion", (with D.C. Thomas), European Finance Review, 1, 1997, 31-49.

"Did Option Traders Anticipate the Crash? Evidence from the U.K. with U.S. Comparisons", Journal of Futures Markets, December 1996, 881-898.

"Transparency and Liquidity: A Study of Large Trades on the London Stock Exchange under Different Publication Rules", Journal of Finance, 51, December 1996, 1765-1790.

"Margins and the Safety of Clearing Houses", Journal of Banking and Finance, 19, 1995, 979-996.

"Political Risk and Market Efficiency: Tests Based on British Stock and Options Markets in the 1987 Election", Journal of Banking and Finance, 16, 1992, pp.211-231.

"Returns to Marketmaking on the London Traded Options Market" (with P.Dawson), Review of Futures Markets, 9, (3), pp.667-680.

"Futures Trading and Finance in the Housing Market", Journal of Property Finance, 1, (2) Autumn1990, 196-207.

"Stock Options and the Volatility of the Underlying Shares", Journal of International Securities Markets, 3, Spring 1989, pp.15-22.

"The Contribution of Futures and Options to a Revised Agricultural Policy", European Review of Agricultural Economics, 15, 1989, pp.457-475.

"Hedging Crude Oil: How Many Markets are Needed in the World?", Review of Futures Markets, 7, 1988, pp.556-571.

"The Forecasting Performance of the London Traded Options Market", Journal of Business Finance and Accounting, 13, 1986, pp.535-546.

"An Examination of the Efficiency of the London Traded Options Market", Applied Economics, 18, 1986, pp.995-1010, (co-author Paul Dickins).

“Forward Contracts or International Buffer Stocks? A Study of Their Relative Effectiveness in Stabilising Commodity Export Earnings”, Economic Journal, 95, 1985, 400-417.

“Optimal Hedging on Futures Markets for Commodity Exorting Countries”, European Economic Review, 27, 1985, 243-261.

“Using the Box/Cox Form for Estimating Demand”, Review of Economics and Statistics, 62, 1980, 147-148.

“Form of Function, Taste and the Demand for Sugar in Seventy-Three Nations”, European Economic Review, 13, 1980, 189-205.

“Estimating and Forecasting Agricultural Supply from Time-Series: A Comparison of Direct and Indirect Methods”, European Review of Agriculultural Economics, 5, 1979, 175-191.

“The Elasticity of Marketable Surplus of a Subsistence Crop: Comment”, Economic Development and Cultural Change, 28, 1979, 175-177.

“Asymmetric Cobwebs and the International Supply of Cane Sugar: Reply”, Journal of Agricultural Economics, 30, 1979, 75-77.

“Futures Markets, Hedging and International Commodity Agreements”, Food Policy, 4, 1978, 313-315.

“Asymmetric Cobwebs and the International Supply of Cane Sugar”, Journal of Agricultural Economics, 29, 1978, 9-22.

“An Equilibrium Analysis of US Sugar Policy”, American Journal of Agricultural Economics, 59, 1977, 609-618.

Working & Conference Papers (as yet, unpublished)

“Catering for Dividends by Stripping Mutual-Fund Portfolios”, August 2005. (Previous versions presented at MMF conference 2004, EFMA conference 2001, German Finance Association 2001).

"The Impact of Corporate Governance on Closed-End Funds" (with Dylan C. Thomas), working paper, latest version June 2005 (EFMA conference 2003, Leeds symposium 2004)

"Can Structural Models Explain Prices of Sovereign Bonds?" (first author Diana Diaz), latest version April 2004 (EFMA conference 2003).

“Testing Merton’s Model for Credit Spreads on Zero-Coupon Bonds”, latest draft October 2002, calculations being revised Spring 2004 (EFMA 2002, EIR 2002).

“Performance Measurement with Loss Aversion”, with Mark Salmon and Soosung Hwang, latest version August 2005 (EIR 2004).

"A Comparison of Two Credit-Risk Models" (first author Diana Diaz), December 2001. (Australasian Finance Conference, 2001).

“Market Efficiency and Election Forecasts: Stocks, Options, Polls and Bets in Four British Contests”, revised June 2000.

“International Transmission of Option Volatility and Skewness: When You’re Smiling Does the Whole World Smile?”, (with Naoki Kamiyama). Revised 3/2000. (EFA 1997).

Books

Options Pricing: An International Perspective, (275 pages), McGraw Hill, 1992 (US edition, 1993).

Futures Trading in Commodity Markets, (80 pages) International Chamber of Commerce, Paris, 1983

Commodities and Financial Futures Yearbook (editor), ICCH, London, 1980 and 1981.

Book Chapters and Other Non-Refereed Publications

“Gold in Central Bank Reserves”, to be published as a Research Paper of the World Gold Council in 2005.

“Derivatives: Risks and Opportunities”, Chapter in Risk Management for Central Bankers, Central Banking Publications, London, 2000.

“Investment Trust Warrants: Pricing, Shareholder Value and Investor Confusion” (with D.Thomas), Professional Investor, May 1997, 19-23.

"Volatility" and "Black/Scholes" entries in the Blackwell Encyclopedia of Management, 1996, 81 and 898, also in Concise Version of Blackwell Encyclopedia of Management , Blackwell, 1998, 45 and 687-688.

"The Economic Function of Financial Derivatives", chapter in 1995 Moar Lectures, Catholic University of Milan, 1996.

"Publication of Large Trades on the LSE - the controversy continues", Compliance Monitor, 7, (10), 1995, pp.76-78.

Transparency and Liquidity: a study of large trade on the London Stock Exchange under different publication rules", Research Paper 7, Office of Fair Trading, November 1994.

"The Pricing of Euromarket Warrants on Japanese Stocks", in Taylor S.J. et al (eds), A Reconsideration of Market Efficiency, Springer Verlag, Berlin, 1989.

"Commodity Indexed Debt", Columbia Journal of World Business, 23, (4), Winter 1988, pp. 57-62.

"A Primer on the Pricing of Options on Currencies and Short- Term Interest Rates", Investment Analyst,81, 1986, pp.16-22.

"The Feasibility of New New Futures Markets in London for Commodities", London Clearing House (ICCH), March 1983 (with Richard Cawley).

“Regulating Futures Markets: A Review in the Context of British and American Practice”, Chapter 11 in Streit, M. (ed), Futures Trading, Blackwell, 1983.

“Prospects for a Steam Coal Futures Market”, in Guide to World Commodity Markets, Kogan Page, 1982.

“The Choice Between Options and Futures Contracts”, Investment Analyst, July 1981.

“Financial Futures: Rational Market or New Casino?”, National Westminster Bank Review, February 1981.

“An Equilibrium/Policy Model of the World Sugar Economy”, Chapter in Labys,W. (ed), Commodity Markets and Latin American Development, Ballinger/NBER, 1980.

“The World Sugar Economy”, Agricultural Economics Report No. 313, Michigan State University, 1976, 100 pages. (Also published by the US Department of Agriculture).

“The Economics of Farm Mechanisation in Developing Countries” (with Carl Eicher), Development Digest, 15, 1976, 39-47.

PhD Supervision in 2003/04

Rouslan Ponkratiev *Structural and Reduced-Form Models for Credit and Liquidity Risk*

Ike Ndu *Real Options and the Pricing of Biotechnology Companies*

Diana Diaz (finished 12/03) *Three Essays in Credit-Risk Modelling*

Languages

German	spoken well, read well, written moderately
French	spoken moderately, read well, written moderately