

Prithu Vatsa

Miami Herbert Business School – 5250 University Dr, Coral Gables, FL 33146

☎ 561-260-2155 • ✉ PVatsa@bus.miami.edu • 🌐 www.prithuvatsa.com

Education

University of Miami Ph.D. in Finance	Coral Gables, FL 2016 – Present
University of Florida Master of Science in Entrepreneurship,	Gainesville, FL 2015 – 2016
University of Rochester Masters's of Business Administration, Finance	Rochester, NY 2008 – 2009
University of Pune Bachelor of Engineering, Electronics and Telecommunications	Pune, India 2002

Research Interests

Financial Inclusion, Financial Regulation, Community Banking, Macro-Finance and Household Finance

Working Papers

Do Minority Banks Matter? (*Job Market Paper*)

- University of Miami, 2021 Community Banking in the 21st Century Research and Policy Conference, FRS, CSBS, FDIC

This paper estimates the elasticity of minority credit supply to deposit shares of Minority Depository Institutions (MDIs). Mortgage minority credit declines by 37% if a census tract loses MDI presence following an MDI-community bank merger. 1% increase in county market shares of such tracts leads to a 3% decrease in minority homeownership. Tracts that physically lose an MDI -branch experience worse outcomes suggesting that disruption of minority banking relationships contributes significantly to the observed minority credit decline. To generate exogenous variation in minority-bank presence, I use an instrument based on within-county tract-level variation in exposure to the Community Reinvestment Act.

Returns to Community Lending, with Indraneel Chakraborty, Vidhi Chhaochharia and Rong Hai

- Chicago Financial Institutions Conference, Indian School of Business Summer Research Conference (2nd Prize), Midwest Finance Association (MFA) Conference - 2021, University of Alabama, Micro-Economic Policy Seminar - George Mason University

For forty years, the Community Reinvestment Act (CRA) has encouraged U.S. banks to lend to lower-income neighborhoods. Regarding costs, to comply with CRA, banks substitute away from smallbusiness lending to higher income groups and face higher default rates on loans made. Regarding benefits, a large number of Americans have been lifted out of poverty through the CRA small-business lending channel. New jobs in establishments and new entrepreneurship are equally strong mechanisms to alleviate poverty. The incidence of the act is on smaller banks who lend relatively more than larger banks. Taxpayers benefit from lower welfare expenses as poverty declines

Small Business Lending by Commercial Loan Securitizers

- University of Miami

After the Great Recession, commercial loan securitizers expanded their small business lending about four times faster compared to other banks. This sustained credit expansion had a positive impact on socioeconomic outcomes in geographies that were relatively more exposed to these banks. I document that for every percentage point increase in securitizers' share of county-level deposits, the growth rate of small businesses and employment provided by these businesses increases by 4 bps and 6 bps respectively. I extend these results to a household level and find that a household's chances of making an out-of-poverty and out-of-unemployment transition in exposed geographies increase by 1.2% and 0.65% respectively. Finally, I document that most of these benefits accrue to the non-tradable sector of the local economies.

Teaching Experience

University of Miami

FIN303: Intermediate Financial Management, Instructor, Summer, 2021 (Rating: 4.9/5.0)

FIN302: Fundamentals of Finance, Instructor, Spring, Fall 2020 (Rating: 4.2/5.0)

FIN670: Advanced Corporate Finance, Teaching Assistant, Fall 2016, 2017, 2018, 2019 and 2020

Professional Experience

SBICAP Ventures Limited

Investment Officer, Neev Fund

ESG driven private equity investments in the renewable energy and infrastructure sectors

Mumbai, India

2013 – 2015

SBI Capital Markets Limited

Manager

- Quarterbacked diverse fund raising and transaction advisory mandates in wind, energy, gas, solar based power sector
- Deals completed or managed exceed US\$ 4 billion in combined transaction value

Mumbai, India

2009 – 2013

Capgemini

Senior Consultant

Rolling out multiple subprime loan product and pricing strategies across the US

Chicago, Pune

2002 – 2007

Professional Skills and Certifications

Technical Skills: Stata, R, MATLAB, VBA, C, COBOL, CICS, JCL, VLSI

Deal Structuring: Private Equity, LBO, Project Finance deal structuring, legal documentation

Professional Service

Referee

Review of Financial Economics

2017 – Present

Organizing Assistant Miami Behavioral Finance Conference	2016 – Present
Tutor University of Miami, Finance Department	2016 – Present

Honors and Awards

Federal Reserve System, CSBS, FDIC Emerging Banking Scholar	2019
University of Miami School of Business Administration Fellowship	2016 – Present
University of Rochester Dean’s List	2008 – 2009

Media Coverage

L&T goes merchant for Hydro
Project Finance International, March 2011

References

Indraneel Chakraborty (Chair)
Associate Professor
Finance
Miami Herbert Business School
Miami, 33146
✉ i.chakraborty@miami.edu
☎ +1-305-284-9489

Vidhi Chhaochharia
Associate Professor
Finance
Miami Herbert Business School
Miami, 33146
✉ vidhi@miami.edu
☎ +1-305-284-4362

George Korniotis
Professor
Finance
Miami Herbert Business School
Miami, 33146
✉ gkorniotis@miami.edu
☎ +1-305-284-5728

Ville Rantala
Assistant Professor
Finance
Miami Herbert Business School
Miami, 33146
✉ vrantala@bus.miami.edu
☎ +1-305-284-8286

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