Baris Ince

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EDUCATION

PhD in Economics, 2013-2019

Koç University

Visiting PhD Candidate, 2018

Said Business School, University of Oxford

M.A. in Economics and Business Administration, 2012-2013

Autonomous University of Barcelona

BS in Industrial Engineering, 2007-2012

Middle East Technical University

EMPLOYMENT

Research Scientist, Department of Banking and Finance 2022-2024 University College Dublin

Lecturer in Economics, Department of Economics 2021 – 2022 University of Essex

Assistant Professor of Finance, Faculty of Business Administration 2019 – 2021 Bilkent University

RESEARCH INTERESTS

Empirical Asset Pricing, Robots & automation, Regulations, Corporate Finance, Behavioral Finance

PUBLICATIONS

- 1) Ince, Baris, and Han N. Ozsoylev (2024), "Price of Regulations: Regulatory Costs and the Cross-section of Stock Returns", *Review of Asset Pricing Studies* (Editor's Choice/Lead Article)
- 2) Ince, Baris, (2024), "How Do Regulatory Costs Affect M&A Decisions and Outcomes?", Journal of Banking and Finance
- 3) Ince, Baris, (2022), "Liquidity Components: Commonality in Liquidity, Underreaction, and Equity Returns", *Journal of Financial Markets*

PAPERS AT THE REVISION STAGE

4) Ince, Baris, (2023), "Forecasted Unemployment and the Cross-section of Stock Returns" R&R at the Journal of Empirical Finance

WORKING PAPERS

5) Ince, Baris, and Han N. Ozsoylev (2024), "The role of investors versus management in driving the MAX factor"

ABSTRACT: Motivated by evidence of a significantly negative cross-sectional relationship between maximum daily returns (MAX) and future stock returns, we reexamine the predictive power of MAX and introduce beta-controlled MAX-sorted portfolios (β -MAX) as a proxy for idiosyncratic lottery-like payoffs. Our findings show that mispricing factors explain return spreads for MAX but fail to do so for β -MAX, which reflects transient investor-driven pricing unrelated to persistent misvaluation. Additionally, while only stocks with sustained high MAX exhibit significant future underperformance, β -MAX remains negatively priced even without persistence. These results underscore the distinct roles of overvaluation and speculative demand in shaping future returns for high MAX and β -MAX stocks.

6) Ince, Baris, and Cansu Iskenderoglu (2024), "Automation Cost Flexibility and Firm Value"

ABSTRACT: This paper documents that industrial robots enhance firms' ability to reduce operating costs and increase operating cost flexibility. Building on this, we propose a firm-level measure of automation cost flexibility, which quantifies a firm's capability to decrease operating costs as a result of automation. Using this measure, we present evidence that firms with greater automation cost flexibility exhibit higher firm values. By exploiting the 2011 Thailand hard drive crisis as an exogenous shock to automation costs, we provide causal evidence that automation cost flexibility positively impacts firm value. Furthermore, the paper shows that the positive impact of automation cost flexibility is more pronounced on firms within more competitive industries, those facing significant competitive threats in product markets, in industries with higher strategic interactions, and smaller firms. This suggests that cost flexibility encompasses a strategic dimension.

7) Ince, Baris, and Thomas Conlon and John Cotter (2024), "More Robots Less Cost of Equity"

ABSTRACT: This paper investigates the importance of robotics usage on firms' implied cost of equity. We find that robotics (both installations and operational stock) has significant negative explanatory power for a firm's cost of equity. More specifically, robotics contribute to firms' operating flexibility and operating margin, hence, decreasing their cost of equity. We use instrumental variable estimators and difference-indifference models to address possible endogeneity issues. Finally, our results are robust to various firmand industry-specific controls, and industry-level implied cost of equity regressions.

RESEARCH PRESENTATIONS

- 2017: Koç University, Bilkent University, Boğaziçi University
- 2019: Bilkent University, Sabancı University, Özyeğin University, Central Bank of Turkey
- 2021: Özyeğin University, Central Bank of Hungary & Corvinus University of Budapest
- 2022: University of Sussex, University of Essex, University of York, Queen's University Belfast

2023: Irish Academy of Finance, Financial Management Association annual meeting (Chicago), University College Dublin

2024: Durham University, Queen's University Belfast, University of Liverpool, Sabanci University,

GRANTS AND FELLOWSHIPS

PhD Scholarship, Koç University Project Grant , TÜBİTAK (Scientific and Technological Research Council) Science Foundation Ireland under grant numbers 16/SPP/3347, 13/RC/210P2, and 17/SP/5447

TEACHING EXPERIENCE

University College Dublin: Introduction to Finance University of Essex: Econometric Methods, Economics of Financial Markets and Intermediation Bilkent University: Elements of Finance, Money and Banking

LANGUAGES

Turkish (native), English (fluent), Spanish (intermediate)

COMPUTER SKILLS

MATLAB, Stata, Microsoft Office, C++

REFERENCES

Turan Bali

Robert Parker Chair Professor of Finance McDonough School of Business, Georgetown University E-mail: Turan.Bali@georgetown.edu Phone : +1 (202) 6875388

Umit Gurun

Professor of Finance Naveen Jindal School of Management, University of Texas at Dallas E-mail: umit.gurun@utdallas.edu Phone : +1 (972) 8835917

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