A (pseudo? quasi?) random walk of a woman physicist on Wall Street

Stefania Perrucci Ph.D., CUWIP 2018, Charlottesville, VA.
Table of Contents

1. Brief biography

2. The WoW-factor, i.e. why women are the key factor in unlocking global prosperity

3. Women in Physics and Finance: similarities, differences & a twist

4. Is there a glass ceiling and how do you break through?

Q&A Session
Brief Biography (i.e. the quasi pseudo random walk)


2. World Bank 1997-2000 Risk Manager
   - Bob Merton JPM (Nobel Laureate) vs. Lisa Polsky MS (Derivatives Hall of Fame)
   - Coin flipping (the random walk part)

3. Morgan Stanley 2000-2008 Portfolio Manager
   - one patent, another pending
   - the big short (my pseudo-link to Brad Pitt)

4. New Sky Capital 2008- Chief of the World (ok, a bit quasi-)
   - my hedge fund
   - Mortgage and Real Estate Finance (RiskBooks 2008)
   - Inflation Sensitive Assets (Riskbooks 2012)
   - all royalties to charity (CARE, women & education)

5. Turner Investments: Global Head of Fixed Income 2016-ongoing
The WoW-factor the most important for economic growth in the world

1. Unlocking the potential of the Women-of-the-World (WoW) is key in unleashing global economic growth. No pesudo- or quasi- about this.

2. Access to education is one dimension. More broadly, equal civil/social rights (or lack thereof) are the underlying drivers. Are we, as a society, creating the environment where talent can flourish irrespective of gender (or other differences)? Data suggest this is rarely the case.

*Women are the only (quasi) majority you can discriminate against and get a de facto pass.*
Women in Physics and Finance

**Similarities:**
1. A logical approach and rational thinking is helpful in both
2. Women still not equally represented in either profession (are genders given the same opportunities?)

**Differences:**
1. Models are different: physics is a hard science, with controlled experiments. Finance is more of a social science, it is about aggregate human behavior and incentives. Conditions are never perfectly controlled/reproduced.
2. Forecasting (conditional and non-conditional) much more difficult in finance. Good luck always a factor in finance and life.

And a twist: the economic upside in a profession in finance has an interesting effect

1. Money is a social equalizer. While gender-biased social/cultural/religious conventions tend to disempower women, money can (in part) counterbalance that.

⇒ BE AWARE OF ANYTHING THAT DISEMPowers YOU EVEN IF IT COMES WITH A BENIGN INTENT.
⇒ PURSUE WHAT EMPOwERS YOU, AND USE THAT POWER FOR THE GREATER GOOD.
Is there a glass ceiling and how do you break through?

Talents? Choices? Opportunities? Cultural/Societal Roles? Things correlated to gender do not necessarily have causal linkage to gender. Therefore interpretation of data and social studies is tricky and subject to social bias as well.

Remarks at NBER Conference on Diversifying the Science & Engineering Workforce
Lawrence H. Summers
Cambridge, Mass.
January 14, 2005

Diversity in the Economics Profession: A New Attack on an Old Problem

Amanda Bayer and Cecilia Elena Rouse

The gender pay gap will not close until 2186

The economics profession includes disproportionately members of historically underrepresented racial and groups, relative both to the overall population and disciplines. In the United States, of 500 doctorate degrees aw

The gender pay gap is widening and could take 170 years to close, according to a new World Economic Forum (WEF) report.

The foundation's annual "Global Gender Gap Report" found that
Non atypical gender-biased pseudo-thinking trees

A non atypical decision tree in a non atypical firm. Bias is often not deliberate, but insidious because socially ingrained. Obviously, marital status should NOT be a factor in compensation.
Q&A Session