Taisiya Sikorskaya

Assistant Professor of Finance

University of Chicago Booth School of Business ◇ 5807 South Woodlawn Avenue, Chicago, Illinois 60637

Academic Positions

University of Chicago Booth School of Business, United States
Assistant Professor of Finance, 2024 - present

Education

London Business School, United Kingdom
PhD in Finance, 2024

London Business School, United Kingdom
MRes in Finance, 2019

University of St. Gallen, Switzerland
MA in Quantitative Economics and Finance, 2017

Chelyabinsk State University, Russia
Diplom (MSc) in Mathematical Methods in Economics and Operations Research, 2013. *Distinction*

Published Papers

Institutional Investor Mandates, Securities Lending, and Short-Selling Constraints
The Journal of Financial Economics, 184, 2026.
Institutions facilitate short-selling by lending from their holdings, but what they hold is endogenous. This paper examines how institutional demand, driven by investment mandates (benchmarking), affects short-selling. In a model where benchmarked managers lend from their holdings, both lending supply and equilibrium price are higher for the benchmark asset, and so is shorting demand (due to inflated price). A quasi-experiment using Russell index reconstitution shows that stocks with more benchmarked capital have greater lending supply and demand. Ultimately, such stocks are *costlier* to short. In theory and data, results are driven by incomplete pass-through from benchmarked capital to lending supply.

Strategic Arbitrage in Segmented Markets (with S. Bryzgalova and A. Pavlova).
The Journal of Financial Economics, 166, 2025.
We propose a model in which arbitrageurs act strategically in markets with entry costs. In a repeated game, arbitrageurs choose to specialize in some markets, which leads to the highest combined profits. We present evidence consistent with our theory from the options market, in which suboptimally unexercised options create arbitrage opportunities for intermediaries. Using transaction-level data, we identify the corresponding arbitrage trades. Consistent with the model, only 57% of these opportunities attract entry by arbitrageurs. Of those that do, 49% attract only one arbitrageur. Finally, our paper details how market participants circumvent a regulation devised to curtail this arbitrage strategy.

Retail Trading in Options and the Rise of the Big Three Wholesalers
(with S. Bryzgalova and A. Pavlova). *The Journal of Finance, 78(6), 2023, pp. 3465-3514*.
We document a rapid increase in retail trading in options in the U.S. Facilitated by payment for order flow (PFOF) from wholesalers executing retail orders, retail trading recently reached over 60% of the total market volume. Nearly 90% of PFOF comes from three wholesalers. Exploiting new flags in transaction-level data, we isolate wholesaler trades and build a novel measure of retail options trading. Our measure comoves with equity-based retail activity proxies and drops significantly during U.S. brokerage platform outages and trading restrictions. Retail investors prefer cheaper, weekly options, with the average bid-ask spread of a whopping 12.6%, and lose money on average.

Benchmarking Intensity (with A. Pavlova).
The Review of Financial Studies, 36(3), 2023, pp. 859–903. ***Editor's Choice.***
Benchmarking incentivizes fund managers to invest a fraction of their funds' assets in their benchmark indices, and such demand is inelastic. We construct a measure of inelastic demand a stock attracts, benchmarking intensity (BMI), computed as its cumulative weight in all benchmarks, weighted by assets following each benchmark. Exploiting the Russell 1000/2000 cutoff, we show that changes in stocks' BMIs instrument for changes in ownership of benchmarked investors. The resulting demand elasticities are low. We document that both active and passive fund managers buy additions to their benchmarks and sell deletions. Finally, an increase in BMI lowers future stock returns.

Working Papers

The Hidden Cost of Stock Market Concentration: When Funds Hit Regulatory Limits
(with L. Pastor and J. Wang).

Sparse Portfolios and Benchmarking in Corporate Bond Markets (with Z. Li and A. Pavlova).

Two APs Are Better Than One: ETF Mispricing and Primary Market Participation
(with E. Gorbatikov)

The Arithmetic of Modern Retail Investor Losses (with D. Muravyev)

Awards and Honours	Fama-DFA Prize for the best paper in the *Journal of Financial Economics*, 2025 (First Place in Capital Markets and Asset Pricing), for "Strategic Arbitrage in Segmented Markets" BlackRock Research Award at the Australasian Finance and Banking Conference, 2025 Top Finance Graduate Award, 2024 Colorado Finance Summit Best Paper Award, 2023 European Economic Association Econ JM Best Paper Award, 2023 AQR Asset Management Institute Fellowship Award, 2022 Professor Sir James Ball PhD Award, London Business School, 2021 Fellowship for Doctoral Students, London Business School, 2017-2023 The STARR International Foundation Grant, Switzerland, 2013-2014 The President of Russia Award for Outstanding Students (awarded twice), 2012 The City Administration Award (Chelyabinsk, Russia), 2010
Refereeing	Journal of Finance; Journal of Financial and Quantitative Analysis; Journal of Financial Economics; Journal of Empirical Finance; Management Science; Review of Asset Pricing Studies; Review of Finance; Review of Economic Studies; Review of Financial Studies
Program Committee	AFA PhD Student Poster Session; European Finance Association; Financial Intermediation Research Society (FIRS); SFS Cavalcade North America; Swiss Society for Financial Market Research (SGF Conference); UC Davis-FMA Napa Finance Conference; Western Finance Association
Discussions	AFA, AFBC, CDI Derivatives, FIFI, FMA Derivatives, MFA, Red Rock, UW Summer Finance
Conferences	Chicago Booth Asset Pricing Conference
Academic Presentations (including scheduled)	**2027:** AFA* **2026:** AIM Investment Conference, Boston College Carroll School of Management, CFR Cologne Research Seminar, Dartmouth Tuck School of Business, Demand in Asset Markets working group, Derivatives and Asset Pricing Conference, Duke-UNC Asset Pricing Conference, EFA, ESSEC Business School*, FIRS, INSEAD*, MIT GCFP Conference*, MIT Sloan School of Management*, NBER Asset Pricing Fall Meeting*, NFA, Oxford-Man Institute Microstructure and Financial Economics workshop, SFS Cavalcade North America*, Trivariate Quant Expert Webinar, UC Davis–FMA Napa Finance Conference, University of Chicago Booth School of Business, University of Utah David Eccles School of Business, Vanderbilt University*, Vanguard seminar, WFA*, World Symposium on Investment Research*, WU Vienna* **2025:** Australasian Finance and Banking Conference, Bocconi University*, Carnegie Mellon University, Demand in Asset Markets working group, Georgia State University, Johns Hopkins University, Michigan State University, University of Notre Dame, Princeton University, Università della Svizzera italiana*, University of Delaware, University of Maryland, UW Madison, Warwick Business School*, WAPFIN at NYU Stern, Women in Microstructure Meeting **2024:** Adam Smith Workshop, AFA, ASSA Meetings, Bank of Canada, Columbia Business School, Cornell University, Duke's Fuqua School of Business, EFA*, FIRS, Harvard Business School, HEC Paris, London School of Economics, New York Fed*, NYU Stern School of Business, Purdue University, Stanford Graduate School of Business, University of Chicago Booth School of Business, USC Marshall School of Business, UT Austin McCombs School of Business, Virtual Derivatives Workshop*, Wharton School of the University of Pennsylvania, World Symposium on Investment Research, Yale School of Management **2023:** AFA*, Colorado Finance Summit*, Dauphine Finance PhD Workshop, HEC PhD Workshop on Incentives in Finance, Indiana University*, Junior Academic Research Seminar in Finance, NBER Asset Pricing Fall Meeting*, NFA, Q Group Spring Seminar*, SAFE Market Microstructure Conference, TADC, The Microstructure Exchange, Women in Microstructure Meeting, U.S. Securities and Exchange Commission*, USC Marshall PhD Conference in Finance, Vanguard seminar* **2022:** AFA (video), AFA*, Bank of America*, Cambridge Centre for Alternative Finance, CDI Annual Conference on Derivatives*, Chicago Fed, Indiana University*, London Quant Group*, NBER Asset Pricing Spring Meeting*, NBER Behavioral Finance*, NFA*, The Microstructure Exchange (video), TMX Group, University of Hong Kong*, University of Notre Dame*, Virtual Derivatives Workshop (video) **2021:** Adam Smith Workshop*, ASSA Meetings, EFA, European Winter Finance Conference, FMA*, INSEAD Finance Symposium*, MFA, NBER Behavioral Finance Spring Meeting*, NFA, SFS Cavalcade North America, University of Bath, World Symposium on Investment Research * *Selected presentations by co-authors.*
Teaching	**Investments (Undergraduate)**, 2024–*present*
Doctoral Advising	Monica Barbosa, Ching-Tse Chen

Other Work Experience

Bank of England, London, UK
PhD Intern (part-time), 08/2021–04/2022

Deutsche Asset Management, Deutsche Bank UK
Assistant Portfolio Manager, ETF Portfolio Management, 10/2015–09/2016

Deutsche Asset Management, Deutsche Bank Switzerland
Working Student (part-time), Credit Portfolio Management, 10/2014–10/2015