Zhuo Chen

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Academic Experience

Tsinghua University, PBC School of Finance
  Associate Professor of Finance, 2020/12-present
  Assistant Professor of Finance, 2014/9-2020/11
China Finance Case Center
  Director, 2022/3-present
Research Center for Fund of Funds
  Deputy Director, 2021/6-present
National Institute of Financial Research, Minsheng Wealth Management Research Center
  Deputy Director, 2016/11-2023/4

Education

Ph.D., Finance, Kellogg School of Management, Northwestern University, 2009-2014

M.A., Economics, Duke University, 2007-2009

B.E., Engineering Structure Analysis & Economics, Peking University, 2003-2007

Research Interests

Chinese Financial Markets, Empirical Asset Pricing, Financial Market Frictions, Quantitative Portfolio Management

Selected Publications

1. Investor Sentiment and the Pricing of Macro Risks for Hedge Funds (with Andrea Lu and Xiaoquan Zhu), June 2023, ***Management Science***, forthcoming
2. Pledgeability and Asset Prices: Evidence from Chinese Corporate Bond Markets (with Hui Chen, Zhiguo He, Jinyu Liu, and Rengming Xie), ***The Journal of Finance*** 78 (5), October 2023, pp. 2563-2620
3. The Financing of Local Government in China: Stimulus Loan Wanes and Shadow Banking Waxes (with Zhiguo He and Chun Liu), ***Journal of Financial Economics*** 137, July 2020, pp. 42-71
4. A Market-based Funding Liquidity Measure (with Andrea Lu), ***Review of Asset Pricing Studies*** 9 (2), December 2019, pp. 356-393
5. Empirical Investigation of an Equity Pairs Trading Strategy (with Huafeng Chen, Shaojun Chen, and Feng Li), ***Management Science*** 65 (1), January 2019, pp. 370-389
6. A Performance Comparison of Large-n Factor Estimators (with Gregory Connor and Robert Korajczyk), ***Review of Asset Pricing Studies*** 8 (1), June 2018, pp. 153-182
7. Seeing the Unobservable from the Invisible: The Role of CO_2 in Measuring Consumption Risk (with Andrea Lu), ***Review of Finance*** 22 (3), May 2018, pp. 977-1009

Other Publications

1. COVID-19 Vaccines and Global Stock Markets (with Kam Chan, Yuanji Wen, and Tong Xu), ***Finance Research Letters*** 47, June 2022, pp. 1-9
2. Growing Pains: International Instability and Equity Market Returns (with Andrea Lu and Zhuqing Yang), ***Financial Management*** 46 (1), Spring 2017, pp. 59-87

3. Slow Diffusion of Information and Price Momentum in Stocks: Evidence from Options Markets (with Andrea Lu), ***Journal of Banking and Finance*** 75, February 2017, pp. 98-108

Publications in Chinese

1. 违约风险传染的避险效应与溢出效应：隐性担保预期的视角（合作者：何治国，施展，祝小全），***经济研究***（2022 年 11 月刊），总第 662 期，174-190
2. 隐性杠杆约束、流动性风险和投资者情绪（合作者：祝小全），***金融研究***（2021 年第 10 期），总第 496 期，171-189
3. 缓兵之计？地方债务展期与隐性违约风险——来自地方融资平台“借新还旧”的经验证据（合作者：郁芸君，张一林，蒲明），***经济学（季刊）***，2022 年 5 月，第 22 卷第 3 期，955-976
4. “能力”或“运气”：中国私募证券投资基金的多维择时与价值（合作者：祝小全，曹泉伟），***经济学（季刊）***，2022 年 5 月，第 22 卷第 3 期，843-866
5. 空气污染是否加剧了新冠病毒的传播？来自中国城市的实证研究（合作者：陈珂琪，李洁），***经济学报***，2021 年 9 月，第 8 卷第 3 期，224-258
6. “常态化防疫”阶段我国经济现状与基于科技的应对之策（合作者：刘碧波，田轩），***中国科学基金***（2020 年 12 月），第 34 卷，第 6 期，724-732

Working Papers

1. Leveraged Trading and Stock Returns: Evidence from International Stock Markets (with Pengfei Li, Zhengwei Wang, and Bohui Zhang), March 2023, ***Journal of Financial Markets***, Revise and Resubmit
2. Carbon Dioxide and Asset Pricing: Evidence from International Stock Markets (with Jinyu Liu, Andrea Lu, and Libin Tao), December 2022, ***Journal of Empirical Finance***, Revise and Resubmit
3. Assessing and Addressing the Coronavirus-induced Economic Crisis: Evidence from 1.5 Billion Sales Invoices (with Pengfei Li, Li Liao, and Zhengwei Wang), December 2020, ***China Economic Review***, Revise and Resubmit
4. Characteristics-based Factors (with Bibo Liu, Huijun Wang, Zhengwei Wang, and Jianfeng Yu), November 2021
5. Investor Sentiment and the Pricing of Characteristics-Based Factors (with Bibo Liu, Huijun Wang, Zhengwei Wang, and Jianfeng Yu), February 2020
6. Local Political-turnover-induced Uncertainty and Bond Market Pricing (with Andrea Lu, Huili Xiao, and Xiaoquan Zhu), December 2021
7. From Wall Street to Hong Kong: The Value of Dual Listing of China Concepts Stocks (with Grace Hu, Ziqiong Xi, and Xiaoquan Zhu), December 2022

Work in Progress

1. 中小银行风险与地方政府隐性担保：基于同业存单定价机制的经验证据 (合作者：何治国，祝小全，徐同)
2. 债券市场对外开放提高了市场流动性吗？——基于债券通的实证经验 (合作者：何佳，胡杳)
3. Margin Trading: Design of Margin Rules (with Zhiguo He and Wei Wei), invited for submission to ***Annual Review of Financial Economics***

Honors and Awards

- Liu Shibai Economics Award 2023
- National Natural Science Foundation of China Research Grant for Excellent Young Scholars (No. 72222004) *2023-2025*
- Tsinghua University Initiative Scientific Research Program *2022*
- Nominee of Masahiko Aoki Award for Economics Paper *2021*
- PwC 3535 Finance Forum Best Paper Award *2020*
- Tsinghua University – University of Chicago Joint Research Center for Economics and Finance Grant *2020*
- Arthur Warga Award for the Best Paper in Fixed Income at the SFS Cavalcade North America *2019*
- The Second China Financial Research Conference Best Paper Award *2017*

- PanAgora Crowell Memorial Prize Finalist *2014*
- Chicago Quantitative Alliance (CQA) Academic Competition Second Prize *2013*
- The 26th Australasian Finance and Banking Conference PhD Forum Second Prize *2013*
- The 26th Australasian Finance and Banking Conference PhD Forum Travel Grant *2013*
- The 9th International Conference on Asia-Pacific Financial Markets Best Paper Award *2014*
- AFA Student Travel Grant *2013*
- The 25th Australasian Finance and Banking Conference PhD Forum Travel Grant *2012*
- Kellogg School of Management Fellowship *2009-2014*
- Duke University Partial Tuition Waiver Fellowship *2007-2009*
- Peking University Dean's List *2006*
- Peking University Canon Grants for Elite Students *2006*
- Lee-Shiu Travel Scholarship *2006*

Conferences and Seminars Presentations (* indicates presentation by co-author)

2024: Conference – American Economic Association Annual Meeting*

2023: Conference – China International Conference in Finance, China Finance Research Conference, NBER Chinese Economy Working Group Meeting*

Seminars – Queensland University of Technology, University of Western Australia, Xi'an University of Architecture and Technology, Hosei University, Peking University National School of Development

2022: *Conferences* – American Finance Association Annual Meeting

2021: *Conferences* – 13rd Annual Paul Woolley Centre Conference in Collaboration with the Bank for International Settlements*, International Banking Economics and Finance Association Summer Meeting*, Financial Markets and Corporate Governance Conference*, European Finance Association Annual Meeting*, China International Conference in Finance*, Summer Institute of Finance, China Financial Research Conference*, FIRN Annual Conference, Conference on Asia-Pacific Financial Markets

Seminars – Chinese University of Hong Kong (Shenzhen) School of Management and Economics, Fudan University Fanhai International School of Finance, Central University of Finance and Economics, Peking University Guanghua School of Management

2020: *Conferences* – American Finance Association Annual Meeting*, NBER Chinese Economy Working Group Meeting*, Napa/Sonoma Conference*, Eagle Labs Annual Conference in Financial Economics Research*, Sovereign Debt Research and Management Conference

Seminars – University of Western Australia Business School, Sun Yat-Sen Business School, Southern University of Science and Technology Department of Finance

2019: *Conferences* – Finance Down Under, Financial Intermediation Research Society*, SFS Cavalcade North America*, Behavioral Finance Working Group Conference*, FMA Asia/Pacific Conference*, WEAI Conference*, Mitsui Finance Symposium*, Erasmus Liquidity Conference*, European Finance Association Annual Meeting*, China International Conference in Finance, Mutual Funds and Factor Investing Conference at Lancaster University, The 7th Indonesian Financial Management Association International Conference*, NBER Summer Institute*, Northern Finance Association*, China Financial Research Conference*, FRIC 2019 Conference*, The 6th Vietnam International Conference in Finance*

Seminars – Academy of Financial Research at Zhejiang University, Jinhe Center for Economic Research at Xi'an Jiaotong University, Institute of Financial Studies at Southwestern University of Finance and Economics, Central University of Finance and Economics

2018: *Conferences* – China International Conference in Finance, The Third Research in Behavioral Finance Conference, 2018 Policy Conference on Reforms and Liberalization of China's Capital Market*, Guanghua International Symposium on Finance*

Seminars – Chinese University of Hong Kong (Shenzhen), Shanghai Advanced Institute of Finance

2017: *Conferences* – Conference on Globalization, Development, and Economic and Financial Stability*, HKUST Finance Symposium*, SFS Cavalcade Asia Pacific*, Summer Institute of Finance, China Financial Research Conference, China International Conference in Finance*, Asian Bureau of Finance and Economic Research 5th Annual Conference *, The 2nd IMF-Atlanta Fed Research Workshop*, NBER Chinese Economy Working Group Meeting*, The Nankai University School of Finance Annual Conference*, FMA Asia-Pacific Meeting*

Seminars – University of International Economics and Business School of Finance, Central University of Finance and Economics (School of Finance), Renmin University of China (School of Finance)

2016: *Conferences* – The 11th International Conference on Asia-Pacific Financial Markets*, The 29th Australasian Finance and Banking Conference*, China Financial Research Conference*,The 9th International Accounting and Finance Doctoral Symposium*, The 8th Paris Hedge Fund Research Conference*

Seminars – Central University of Finance and Economics (School of Finance), Renmin University of China (Hanqing), Seminar Series at Centre for Asian Business and Economics, University of Melbourne

2015: *Conferences* – Paris December Finance Meeting, Western Finance Association Annual Conference*, Asian Bureau of Finance and Economic Research 3rd Annual Conference

Seminars - Central University of Finance and Economics, Renmin University of China School of Business, Cheung Kong Graduate School of Business, Nanjing University Business School

2014: *Conferences* – The 9th International Conference on Asia-Pacific Financial Markets, Northern Finance Association Conference, ESMT Asset Management Conference, China International Conference in Finance, Financial Intermediation Research Society*, The 5th Risk Management Conference in Mont Tremblant, The 9th International Conference on Asia-Pacific Financial Markets, The 3rd International Conference on Futures and Derivatives Markets, The 3rd Luxembourg Asset Management Summit, Multinational Finance Society Conference*

Seminars – Peking University (GSM), Arizona State University (Carey), Purdue University (Krannert), PanAgora Asset Management, Citadel LLC, Moody's Analytics, Georgetown University (McDonough), City University of Hong Kong, Shanghai Advanced Institute of Finance, Tsinghua University (PBCSF)

2013: *Conferences* – The 26th Australasian Finance and Banking Conference and PhD Forum, FDIC/JFSR 13th Bank Research Conference, Financial Management Association Conference, Chicago Quantitative Alliance Academic Competition*, PKU-Tsinghua-Stanford Conference in Quantitative Finance, European Finance Association Conference*, The 24th Annual Conference on Financial Economics and Accounting*, SoFiE Large-Scale Factor Models in Finance Conference*, Midwest Finance Association Conference*

Seminars - Northwestern University (Kellogg)

2012: *Conferences* – The 25th Australasian Finance and Banking Conference and PhD Forum*

Seminars – Northwestern University (Kellogg)

<u>Invited Discussions:</u>

- "Collateral constraints and asset prices: Evidence from structured funds," by Wei Li, Greg Phelan, and Yongqin Wang, China Financial Research Conference, 2023
- "Labor flow shocks matter for asset pricing," by Jian Chen, Chunmian Ge, Jiaquan Yao, and Guofu Zhou, 2022 XMU Finance Workshop
- "State ownership and the term structure of yield spreads: Evidence from China," by Yuanzhen Lyu and Fan Yu, 2022 CICF
- "Financial intermediaries and contagion in market efficiency: the case of ETFs," by Claire Yurong Hong, Frank Weikai Li, and Avanidhar Subrahmanyam, 2022 ABFER Annual Conference
- "Understanding credit risk for Chinese companies using machine learning: A default-based approach," by Edward Altman, Xiaolu Hu, and Jing Yu, 2021 FINR Annual Conference
- "De facto time-varying indices-based benchmarks for mutual fund returns," by Tingting Cheng, Cheng Yan, and Yayi Yan, 2021 China International Forum on Finance and Policy
- "The collateral channel of monetary policy: Evidence from China," by Hanming Fang, Yongqin Wang, and Xian Wu, China International Conference on Macroeconomics, 2021

- “Third-party cookies, data sharing, and return comovement,” by Si Cheng, Yupeng Lin, Ruichang Lu, and Xiaojun Zhang, China Advanced Research in Finance Conference, 2021
- “A Market Approach for Convergence Trades,” by Isabel Figuerola-Ferretti, Ioannis Paraskevopoulos, and Tao Tang, Financial Management Association Annual Meeting, 2020
- “ESG Preference and Market Efficiency: Evidence from Mispricing and Institutional Trading,” by Jie (Jay) Cao, Sheridan Titman, Xintong (Eunice) Zhan, and Weiming (Elaine) Zhang, Workshop on Green Finance and ESG Analysis, 2019
- “Political Uncertainty and Commodity Markets,” by Kewei Hou, Ke Tang, and Bohui Zhang, China International Conference in Finance, 2019
- “Trend Factors in China,” by Yang Liu, Guofu Zhou, and Yingzi Zhu, China International Conference in Finance, 2019
- “Borrower Ratings, Officer Incentives and Loan Contracting: Evidence from a State-Owned Bank,” by Hongqi Yuan, Yiyuan Zhou, and Hong Zou, China Financial Research Conference, 2019
- “Implicit Credit Support, Wealth Management Products, and Bank Profitability,” by Kaihua Deng, The 3rd Summer Workshop in Finance RUC Hanqing, 2019
- “Arbitrage Portfolios,” by Soohum Kim, Robert Korajczyk, and Andreas Neuhierl, Mutual Funds and Factor Investing Conference at Lancaster University, 2019
- “The Diversification Benefits and Policy Risks of Accessing China’s Stock Market,” by Chenyu Shan, Dragon Yongjun Tang, Sarah Qian Wang, and Chang Zhang, Guanghua International Symposium on Finance, 2018
- “The Value and Real Effects of Implicit Government Guarantees,” by Shuang Jin, Wei Wang, and Zilong Zhang, Summer Institute of Finance, 2018
- “Strategic Complementarities and Monitoring: A Study of Mutual Fund Styles,” by Yijun Zhou, China International Conference in Finance, 2018
- “Does Industry Concentration of the Money Market Funds Affect Their Risk-Taking Behavior?” *(Chinese)* by Jingjun Liu, China International Conference in Finance, 2018
- “Liquidity of New OTC Market, Valuation, and Multiple-Layer Structure: Evidence from DID and RD Analyses,” *(Chinese)* by Jane Liu, Qi Liu, and Xinming Huang, China Financial Research Conference, 2018
- “Better Bond Indices and Liquidity Gaming the Rest,” by Adriana Robertson and Matthew Spiegel, SFS Cavalcade Asia-Pacific, 2017
- “Industry Competition, Credit Spreads, and Levered Equity Returns,” by Alexandre Corhay, China International Conference in Finance, 2017
- “Prospective Book-to-Market Ratio and Expected Stock Returns,” by Kewei Hou, Yan Xu, and Yuzhao Zhang, China International Conference in Finance, 2017
- “Implicit Guarantee and Shadow Banking: the Case of Trust Products,” by Franklin Allen, Xian Gu, Jun “QJ” Qian, and Yiming Qian, Central University of Finance and Economics School of Finance Workshop, 2017
- “Comparing Asset Pricing Models by the Conditional Hansen-Jagannathan Distance,” by Patrick Gagliardini and Diego Ronchetti, Paris December Finance Meeting, 2015
- “Tail Risk Hedging and Regime Switching,” by Markus Huggenberger, Peter Albrecht, and Alexandr Pekelis, China International Conference in Finance, 2015
- “The Causal Effects of Margin Trading and Short Selling on Earnings Management: A Natural Experiment from China,” by Zhaojing Chen, Nathan Dong, and Ming Gu, China International Conference in Finance, 2015
- “Fire Sales and Liquidity Provision in the Corporate Bond Market,” by Jay Wang, Hanjiang Zhang, and Xinde Zhang, China International Conference in Finance, 2015
- “General Purpose Technologies, International Technology Diffusion, and the Cross Section of Stock Returns,” by Po-Hsuan Hsu and Wei Yang, China International Conference in Finance, 2015
- “Cross-sectional Asset Pricing with Individual Stocks: Betas versus Characteristics,” by Tarun Chordia, Amit Goyal, and Jay Shanken, Asian Bureau of Finance and Economic Research 3rd Annual Conference, 2015
- “Did the Profitability of Momentum and Reversal Strategies Decline with Arbitrage Costs After the Turn of the Millennium,” by Jieun Lee and Joseph Ogden, The 9th International Conference on Asia-Pacific Financial Markets, 2014
- “Institutional Investors and Stock Return Anomalies,” by Roger Edelen, Ozgur Ince, and Gregory Kadlec, The 3rd Luxembourg Asset Management Summit, 2014
- “Jump Risk and Option Liquidity in an Incomplete Market,” by Pei-Lin Hsieh and Ya-Jun Wang, The 3rd International Conference on Futures and Derivatives Markets, 2014
- “Funding Liquidity Risk and the Cross-Section of Stock Returns,” by Jean-Sebastien Fontaine, Rene Garcia, and Sermin Gungor, Bank of Canada Conference on Collateral, Liquidity and Central Bank Operations, 2014
- “Measuring Liquidity Mismatch in the Banking Sector,” by Jennie Bai, Arvind Krishnamurthy, and Charles-Henri Weymuller, China International Conference in Finance, 2014
- “Systemic Risk and Market Liquidity,” by Kebin Ma, China International Conference in Finance, 2014

- “Carry,” by Ralph Koijen, Tobias Moskowitz, Lasse Pedersen, and Evert Vrugt, European Finance Association Conference, 2013
- “Deception and Managerial Structure: A Joint Study of Portfolio Pumping and Window Dressing Practices,” by Saurin Petel and Sergei Sarkissian, European Finance Association Conference, 2013
- “Long/Short Equity Hedge Funds and Systematic Ambiguity,” by Rajna Gibson and Nikolay Ryabkov, Midwest Finance Association Conference, 2013

Professional Service

- Ad-hoc referee:

The Journal of Finance, Review of Economic Studies, Review of Financial Studies, Management Science, Review of Asset Pricing Studies, Journal of International Economics, European Economic Review, Review of Finance, Journal of Econometrics, Journal of Money Credit and Banking, Journal of Economic Dynamics and Control, Journal of Empirical Finance, Journal of Banking and Finance, Journal of Corporate Finance, International Review of Finance, Financial Management, Finance Research Letters, China Economic Review, Asia-Pacific Journal of Financial Studies, Journal of Economics and Business, Regional Science and Urban Economics

- Program committee member:

Financial Research Network Annual Conference, China Financial Research Conference, FMA Asia-Pacific Meeting

Teaching Experience

PhD Empirical Asset Pricing, Tsinghua University

Master Thesis, Tsinghua University

Corporate Finance, Tsinghua University

ECON 360-1 – Foundations of Corporate Finance Theory, Northwestern University

Industry Experience

Intern, CITIC Securities, Product and Strategy Division *Summer 2012*

Intern, Citigroup, Investment Banking Division *Summer 2010*

Professional Affiliations

American Finance Association, European Finance Association, Financial Management Association

Last Update: December, 2023