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GRADUATE STUDIES

Hong Kong University of Science and Technology

2020–2026

PhD, Finance

References

Professor Yan Ji (chair)

Department of Finance

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Professor Don Noh

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PBC School of Finance

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Professor Sangmin Oh

Columbia Business School

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PRIOR EDUCATION

London School of Economics and Political Science

2018–2019

MSc, Finance and Economics, with Distinction

Wuhan University

2014–2018

BA, Economics

RESEARCH FIELDS

Asset Pricing, Behavioral Finance, Sustainable Investing

WORKING PAPERS

Horizon Bias and Equity Term Premia around Earnings News, Job Market Paper

Abstract: Around half of the equity term premium is realized around earnings announcements. Horizon bias, the degree to which investors are more optimistic over long horizons than short horizons, explains this concentration. I construct a firm-level measure of horizon bias as the difference between within-industry Z-scores of long-term and short-term earnings growth forecasts. The announcement term premium is primarily driven by firms with high horizon bias. I complement this evidence by showing that retail investors, who are more prone to horizon bias, bid up long-duration stocks before earnings announcements. Limits to arbitrage allow the resulting mispricing to build up: I exploit the pilot program of Regulation SHO as a natural experiment and find that removing short-sale constraints significantly reduces pre-announcement returns of long-duration stocks. At lower frequencies, the term premium is high following periods of above-median aggregate horizon bias, and active institutions contribute to this time variation through shifts in their duration demand. Overall, horizon bias accounts for both the high-frequency patterns around earnings announcements and the lower-frequency time variation in the equity term premium.

Presentations: AFA PhD Poster Session 2026, AFBC 2025

Green Price Pressure, with Don Noh, Sangmin Oh, Sean Shin, and Jihong Song [SSRN]

Abstract: We study the catering channel of sustainable investing: managers improve environmental performance to capture valuation premia created by investor demand for sustainability. To quantify the catering incentive, we use an asset demand system and introduce a new measure, “green price pressure”, defined as the sensitivity of a firm’s stock price to

improvements in its environmental performance. Unlike traditional measures of investor pressure, our measure accounts for differences in both investor price elasticities and preferences for sustainability. Firms facing stronger green price pressure subsequently exhibit greater improvements in environmental performance, particularly when executive compensation is highly sensitive to stock performance. Applying our methodology to dividend policy produces comparable results, suggesting that our framework can be extended to study catering behavior across other corporate policies.

Presentations: SUFE-HKUST Workshop 2025, SGF 2024, MFA 2024, AFA 2024, HEC-HKUST Sustainable Fin. Conf. 2023, SoFiE 2023, Seoul National Univ. 2025, Sungkyunkwan Univ. 2024, Korea Univ. 2023

WORKS IN PROGRESS

Short-Sale Constraints and Positive Feedback Trading, with Don Noh and Jianfeng Yu

Abstract: Using investor-type-level data from the Korean stock market, we document that retail investors, particularly mobile traders, engage in a nuanced positive-feedback trading pattern: they are contrarian after moderate returns but become momentum traders following extreme positive returns. Short-term institutions profit by providing liquidity against retail flows during normal times, but they fundamentally change strategy when short-selling is constrained. To show this drastic shift, we exploit the short-sale ban during the COVID-19 crisis and its subsequent partial lifting as natural experiments. Rather than taking the other side of retail flows, short-term institutions begin to front-run stocks that experience price spikes. Short-sale constraints do not merely prevent the correction of overpricing; they transform stabilizing forces into destabilizing ones.

Retail Trading and Announcement Anomaly Returns

Abstract: Retail investors are net buyers of short-leg stocks across equity anomalies, including value, profitability, and low risk categories, before earnings announcements. The short legs in these anomalies contribute disproportionately to anomaly returns in the announcement window. These stocks are highly speculative because their long cash flow duration creates deep out-of-the-money call option-like payoffs, attracting attention-driven retail bets. Retail buying pressure amplifies mispricing in the pre-announcement period. To examine how arbitrageurs respond to this retail-induced mispricing, I exploit plausibly exogenous shocks to limits to arbitrage around earnings announcements.

TEACHING EXPERIENCE

FINA2303: Financial Management [Tutorial]	2021F, 2022F, 2023S&F, 2024F
FINA3103: Intermediate Investments	2022S, 2024S, 2025S

AWARDS AND GRANTS

Dean's Postgraduate Scholarship	2025
HKUST RedBird PhD Award	2022, 2024
HKUST Postgraduate Studentship	2020–2025
LSE Graduate Support Scheme	2018
WHU Outstanding Student Scholarship	2016

ADDITIONAL INFORMATION

Programming Skills

Python, R, C++, Matlab, Julia

Languages

English, Mandarin

This Version: October 27, 2025