



第四届泛海经济金融研讨会

The Fourth Fanhai Economics and Finance Workshop Fanhai International School of Finance (FISF), Fudan University

Date : Thursday, 14 June 2018

Venue : 复旦泛海国际金融学院黄浦外滩校区 1108 纽约厅
上海市黄浦区中山南路 318 号东方国际金融广场
1108 New York, 318 S. Zhongshan Rd, Oriental Financial Plaza,
Huangpu Dist., Shanghai 200010

Format

❖ **Regular Papers:**

45-min presentation (questions are welcome during the presentation)

❖ **Round Table Discussion:**

90-min dialogue (questions are welcome during the dialogue)

❖ **Early-idea Papers:**

5-min presentation to demonstrate ideas and main results, followed by 10-min Q&A

Confirmed Speakers/Session Chairs

1. Chen, Kaiji (陈凯迹) Emory University
2. Child, Travers Barclay China Europe International Business School
3. Gao, Huasheng (高华声) Fanhai International School of Finance, Fudan University
4. Gao, Pei (高培) NYU Shanghai
5. He, Zhiguo (何治国) University of Chicago
6. Kou, Zonglai (寇宗来) School of Economics, Fudan University
7. Mendoza, Enrique Gabriel University of Pennsylvania
8. Peng, Qiusa (彭秋莎) Fanhai International School of Finance, Fudan University
9. Petrova, Vanya Fanhai International School of Finance, Fudan University
10. Qian, Jun (钱军) Fanhai International School of Finance, Fudan University
11. Wu, Wenbin (吴文斌) Fanhai International School of Finance, Fudan University
12. Xu, Yi Daniel (徐熠) Duke University
13. Dong, Yi (董毅) Shanghai University of Finance and Economics
14. Yu, Xiaoyun (于晓筠) Indiana University



Schedule

8:30 - 8:55 Registration and Reception

8:55 - 9:00 Welcome Speech by Jun Qian, Executive Dean of FISF

• Session 1 Session Chair: Zonglai Kou, School of Economics, Fudan University

9:00 - 9:45 **“Pledgeability and Asset Prices: Evidence from Chinese Corporate Bond Markets”**
by Zhiguo He, University of Chicago

Abstract: The equilibrium price of an asset not only depends on its fundamentals but also its pledgeability, that is, the ability to be used as collateral to raise financing. The Chinese corporate bond markets provide an ideal laboratory to study this question empirically, thanks to the fact that bonds with identical fundamentals are simultaneously traded in two parallel markets. The first market is the centralized exchange market, where the exchange sets the asset pledgeability (haircuts) unilaterally. The second market is the decentralized OTC interbank market, where haircuts are determined through bilateral negotiations. Such differences in pledgeability lead to identical corporate bonds having different prices in the two markets. By exploiting a policy shock that dramatically reduced the pledgeability of bonds rated below AAA and above AA- in the exchange market, we are able to establish a causal effect of asset pledgeability on prices.

9:45 - 10:30 **“Panda Games: Corporate Disclosure in the Eclipse of Search”**
by Xiaoyun Yu, Indiana University

Abstract: We show that firms strategically alter their disclosure behaviors when the channel to transmit information is severed. We conduct textual analysis and exploit an exogenous event - Google’s 2010 surprising withdrawal from mainland China, which significantly hampered domestic investors’ ability to access foreign information. Following Google’s exit, Chinese firms’ announcements on their foreign transactions become more bullish in comparison to similar announcements prior to the exit and to those that involve only domestic transactions. This effect is mitigated in the presence of foreign investors or analysts affiliated with foreign brokers, who are not subject to foreign information censorship by the Chinese government. Moreover, compared to firms that operate domestically, firms with foreign operations issue rosier annual reports and their information environment becomes more opaque after Google’s departure. A more optimistic announcement or annual report allows insiders to sell more shares at a higher price.

10:30 - 11:00

Tea Break



• Session 2 Session Chair: Sili Zhou, FISF

11:00 - 11:45 **“Financial Frictions, Entry and Growth: A Study of China”**

by Qiusha Peng, FISF

Abstract: With a focus on the entry channel, this paper investigates the role of business deregulation and financial reform in China’s credit and stock markets in explaining the rapid economic growth of China over the past twenty years. A dynamic general equilibrium growth model with heterogeneous consumers and firms is developed. Quantitative results using firm-level data show that the structural reforms that facilitated business formation and growth led to significantly higher aggregate output. This was driven by resource reallocation resulting from stronger market competition, in particular caused by the massive influx of new firms. Policy analysis shows that further reform can also have a large impact.

11:45 - 12:30 **“Two-Sided Search in International Trade - How Chinese Exports Penetrate the U.S Apparel Market”**

by Yi Xu, Duke University

Abstract: To break into global markets, either as an exporter or an importer, firms must first identify foreign business partners. And since most international partnerships are short-lived, trading firms must continually seek new connections if they wish to maintain or expand their foreign market presence. The resulting patterns of international buyer-seller connections are surprisingly fluid, and they largely determine the dynamics of firm-level trade flows. Herein we develop a new empirical model of these search and matching processes, quantify the associated costs, and explore their implications for trade dynamics and welfare. Specifically, we develop a dynamic model of trade in consumer goods with three types of agents: foreign exporters, domestic retailers, and domestic consumers. Fit to customs records on U.S. apparel imports, our model speaks to a variety of empirical issues. First, it provides estimates of the value of international business connections for different types of apparel exporters and importers. Second, it allows us to decompose trade and welfare changes into two basic driving forces: market entry by Chinese firms, and reductions in search costs. Similarly, it quantifies the capital gains and losses induced by these two types of shocks for different types of firms. Third, it characterizes the effects of search costs and foreign competition on firm dynamics. Finally, since firms with more clients find it less expensive to meet additional business partners, and since the rate at which firms acquire connections is partly due to luck, it quantifies the extent to which large firms owe their success to fortuitous events early in their life cycles.

12:30 - 13:30

Buffet Lunch at FISF Bund Campus



• **Session 3 Round Table Discussion on “My Advice to Junior Faculty”**
Moderator: Jun Qian, Executive Dean of FISF

13:30 - 15:00 **Panelist:**
Kaiji Chen (Emory University), Enrique Gabriel Mendoza (University of Pennsylvania), Yi Xu (Duke University), Xiaoyun Yu (Indiana University)

15:00 - 15:30 *Tea Break*

• **Session 4 Early-idea Presentation**
Session Chair: Lin Sun, FISF

15:30 - 15:45 **“A Unified Measure of Monetary Policy Shock Before, During, and After the Zero Lower Bound”**
by Wenbin Wu, FISF

15:45 - 16:00 **“Presidential Power and Shareholder Wealth”**
by Travers Barclay Child, CEIBS

16:00 - 16:15 **“Decriminalizing Prostitution and Rape Rate: Evidence from a natural Experiment in Europe”**
by Vanya Petrova, FISF

16:15 - 16:30 **“The Effect of Public Goods Provision on Consumption: Evidence from Districts Merge in Shanghai”**
by Pei Gao, NYU Shanghai

16:30 - 16:45 **“The Effect of Trust on Individual Investors’ Attention Allocation”**
by Yi Dong, SUFE

16:45 *Departing for Conference Dinner*

- End -