Xinyu Wang

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My Personal Website

Education Background

- **Huazhong University of Science and Technology** — Wuhan, China
  Ph.D. Candidate *Econometrics; Supervisor: Prof. Shaoping Wang* — *Sep 2021 - present*
- **Nanyang Technological University** — Singapore
  Visiting Ph.D. Student — *Jan 2024 - Jan 2025*
- **Huazhong University of Science and Technology** — Wuhan, China
  M.Phi. *Finance* — *Sep 2018 - Jun 2021*
- **Central China Normal University** — Wuhan, China
  B.Ec. *Financial Engineering* — *Sep 2014 - Jun 2018*
  Got a Postgraduate Recommendation; Top 4 out of 54

Publications

- **Wang Xinyu**, Fang Zhuangzhi*, Wang Zhenxin. The Dual Role of Sentiment on Housing Prices in China. International Review of Economics & Finance, 2024: 103732.
- **Wang Xinyu**, Huang Zaixin*. The Estimation and Backtesting of Expected Shortfall Based on SGT Distribution with Application to Chinese Stock Markets. Journal of Applied Statistics and Management (in Chinese), 2020, 39(02): 341 - 353.

Working papers

- **A news sentiment index and its asymmetric effect on market liquidity for the Chinese stock market**, *with Wang Zhenxin, Gao Da, Wang Shaoping.*
  This paper measured investor sentiment using the News Sentiment Index (NSI) and examined its asymmetric impact on market liquidity, particularly focusing on how these effects changed during the COVID-19 pandemic in the Chinese stock market. Constructed from comprehensive news data sourced from the Global Database on Events, Location, and Tone (GDELT), the NSI encapsulates the sentiment dynamics relevant to the Chinese stock market. Given the nature of the data, we applied the unit root and cointegration tests which accommodate the time-varying volatilities. The results showed that sentiment follows a random walk with time-varying volatility and is cointegrated (co-moved) with liquidity which was measured by the turnover rate (TR). Furthermore, the results from the vector error correction model (VECM) revealed that liquidity's response to sentiment is more pronounced under pessimistic conditions (7.04%) compared to optimistic ones (6.13%). However, this asymmetry appears to have been moderated during the COVID-19 pandemic, indicating a shift in sentiment's influence on liquidity amid heightened uncertainty. By capturing the dynamics of investor sentiment such as its random walk with time-varying volatility and co-movement with liquidity, alongside its asymmetric effects under different market conditions, this study deepens our understanding of investor sentiment and its relationship with liquidity.
- **The Applicability of Prominent Factor Models in the Evolving Chinese Stock Market**, *with Wang Shaoping, Feng Hao.*
  This study conducted a comprehensive evaluation of prominent factor models within the Chinese A-shares market by assessing their applicability under evolving market conditions. Employing a modified version of backward sup Dickey-Fuller method by Phillips et al. (2015) alongside the Augmented Dickey-Fuller test on Generalized Least Squares-detrended data by Elliott et al. (1996), we identified distinct market phases over the past decade, including bubble periods, random walk phases, and a stationary ARCH period with significant downward trend. Furthermore, the wild-bootstrap GRS test was used to evaluate the applicability of leading pricing factor models across these conditions. Our findings are threefold. First, the behavioral factor model by Daniel et al. (2020) consistently outperformed other models during bubble periods. This implies that explosive pricing behaviors and the significant proportion of retail investors work in tandem, exacerbating the mispricing due to overconfidence and limited attention. Second, the q-factor model by Hou et al. (2015) demonstrated superior performance in efficient market. It supports the redundancy of the value factor and underscores the well-documented absence of momentum effects in the Chinese stock market, and highlights the relevance of firms' future growth potential in pricing mechanisms. Additionally, our empirical evidence suggested that all these prevalent asset pricing models struggled to capture the market dynamics during the stationary ARCH phase with a significant market decline, indicating substantial distortions in market pricing mechanisms due to the sustained economic downturn. Finally, we employed the spanning tests to further compare these models during bubble and efficient periods. The results corroborate with our previous conclusions.

Papers in Progress

- The Extreme Risk Spillover Effect from the Real Estate Industry to the Real Industries based on the EGARCH-SGT-Dynamic Copula-CoVaR Model, with Huang Zaixin, Tong Yu.
- The Contagion and Determinants of the Chinese Stock Market Bubble, with Feng Hao, Wang Shaoping.
- The Contagion Map of the Bubble during COVID-19 Pandemic in Chinese Stock Markert, with Feng Hao.

Teaching Assistant

- **Advanced Econometrics for Postgraduates** — Autumn 2022-2023
  Prof. Shaoping Wang — *School of Economics, Huazhong University of Science and Technology*

Invited Talks & Seminars

- **Economics Brown Bag Seminar** — Nov 2024
  Division of Economics, Nanyang Technological University — *Singapore*
- **Jingshi Learning Centre - The Dual Role of Sentiment on Housing Prices in China** — Jun 2021
  Department of Finance, Central China Normal University — *Wuhan, China*

Academic Conferences

- **The Theory and Application of Big Data Econometrics Symposium** — Nov 2023
  Presenter — *Wuhan University*
- **Annual Academic Conference for Economics Postgraduates** — May 2021
  Presenter; Win the Best Paper Award — *Huazhong University of Science and Technology*

Skills

- **Languages**: Chinese (Native); English (Fluent; TOEFL: 103; GMAT: 690+IR8+AWA5); Korean (Basic)
- **Programming**: R; Matlab; Python; Latex; STATA; SPSS

Main Honors and Awards

- Awarded the Chinese Government Scholarship of visiting Ph.D. student, Nanyang Technological University, 2023.
- Doctoral Scholarship, Huazhong University of Science and Technology, 2021-2023.
- Best papers awarded at the Seventh Annual Academic Conference for Economics Postgraduates, 2021.
- Outstanding Undergraduate Student, Central China Normal University, 2018.
- Best Undergraduate Thesis, Central China Normal University, 2018.
- Merit Student, Central China Normal University, 2016.
- National Third Prize in National English Competition for College Students, 2016.
- Merit Scholarship, Central China Normal University, 2016.

Services

- **Anonymous Referee**:
  Emerging Markets and Finance and Trade, Economic Analysis and Policy, Singapore Economic Review