

ZHU, YUHAO

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Erasmus School of Economics ◇ Erasmus University Rotterdam

PROFILE

I am a PhD candidate in finance at Erasmus University Rotterdam. I achieved my M.Phil. degree in Economics at Tinbergen Institute, *cum laude*. My research focuses on empirical asset pricing and behavioral finance. My greatest strength is econometrics and programming. I am also strong in communication and presentation.

EDUCATION

Erasmus University Rotterdam, the Netherlands Ph.D. Candidate in Finance, expected in August 2018 Promoter: Prof. Dr. Ingolf Dittmann; Co-promoter: Dr. Sjoerd van Bakkum	<i>2015 to present</i>
Tinbergen Institute & VU University Amsterdam, the Netherlands M.Phil. in Economics (Finance track), <i>cum laude</i>	<i>2013 to 2015</i>
University of Groningen, the Netherlands BSc (Honors) in Economics and Business Economics	<i>2011 to 2013</i>
Fudan University, China BA in Economics	<i>2009 to 2013</i>

INTEREST

Asset Pricing, Behavioral Finance, Empirical Corporate Governance

TECHNICAL STRENGTHS

Computer Languages	Python, Matlab
Statistical Software	STATA, Microsoft Excel (VBA)
Technical Skills	Calibration, Data analysis, Simulation, Visualization, Web crawler

LANGUAGE SKILLS

Chinese (native), English (fluent), Japanese (basic), Dutch (basic)

AWARDS AND GRANTS

12th CAFM 2017 Outstanding Paper Award (USD 2,000)	<i>2017</i>
AFA Student Travel Grant	<i>2017</i>
M.Phil. Full Scholarship (EUR 23,280), Tinbergen Institute	<i>2013 to 2015</i>
Talent Scholarship (EUR 6,400), University of Groningen	<i>2011 to 2013</i>
First-class Scholarship, Fudan University	<i>2011</i>
Second-class Scholarship, Fudan University	<i>2010</i>

WORKING PAPERS

“Wage gap and stock returns”

Joint work with Ingolf Dittmann and Maurizio Montone.

Presented at IFABS 2017 Ningbo, the IFABS Corporate Finance Conference at the University of Oxford*, the Spanish Finance Association Meetings at Universitat Pompeu Fabra in Barcelona*, the Behavioral Finance Working Group Conference at Queen Mary University of London*, the Israel Behavioral Finance Conference at Tel Aviv University*, and the Erasmus finance brown bag seminar series*.

“The real costs of CEO compensation - the effect of behindness aversion of employees”

Joint work with Ingolf Dittmann and Christoph Schneider.

Presented at 12th CAFM 2017 Seoul (outstanding paper award), DGF 2017 Ulm*, the Erasmus finance brown bag seminar series.

(* stands for paper being presented by a co-author at the conference.)

PRESENTATIONS AT SEMINARS & CONFERENCES

12th Conference on Asia-Pacific Financial Markets (CAFM) Seoul, Korea	<i>2017</i>
Korean Securities Association	
IFABS 2017 Conference Ningbo, China	<i>2017</i>
International Finance and Banking Society	
Tinbergen Institute Ph.D. Lunch Seminar	<i>2016</i>
Tinbergen Institute	
Erasmus Finance Brown Bag Seminar	<i>2016</i>
Erasmus University Rotterdam	
Tinbergen Institute Ph.D. Lunch Seminar	<i>2016</i>
Tinbergen Institute	

TEACHING EXPERIENCE

Instructor for Seminar “Advanced Corporate Finance: Corporate Governance”	<i>2017 to 2018</i>
Erasmus School of Economics, Erasmus University Rotterdam	
Guest Lecturer on Data Analysis with STATA	<i>2017</i>
Erasmus School of Economics, Erasmus University Rotterdam	
Thesis Supervisor for 1 Bachelor and 5 Master Students	<i>2016 to 2017</i>
Erasmus School of Economics, Erasmus University Rotterdam	
Instructor for Seminar “Advanced Corporate Finance: Corporate Governance”	<i>2016 to 2017</i>
Erasmus School of Economics, Erasmus University Rotterdam	
Thesis Supervisor for 14 Master Students	<i>2015 to 2016</i>
Erasmus School of Economics, Erasmus University Rotterdam	
Teaching Assistant for Course “Corporate Finance Theory”	<i>2015</i>
Tinbergen Institute	
Teaching Assistant for Course “Statistics”	<i>2014</i>
Tinbergen Institute	

ADDENDUM: PAPER ABSTRACTS

“Wage gap and stock returns”

(Ingolf Dittmann, Maurizio Montone, Yuhao Zhu)

We propose an asset pricing model in which the optimal wage gap between managers and workers increases with managerial skills. In a world with noise traders and short-sales constraints, we show that firms with lower wage gaps should trade at a premium, and the mispricing becomes even stronger if some investors exhibit inequality aversion. Using a unique data set of German firms, we provide strong support for the model’s predictions. The results suggest that pay inequality within firms has important implications for asset prices.

“The real costs of CEO compensation - the effect of behindness aversion of employees”

(Ingolf Dittmann, Christoph Schneider, Yuhao Zhu)

Do employees who compare themselves to the CEO matter for executive compensation? Using German establishment-level wage data, we show that employee wages are increasing in CEO compensation. When CEO compensation increases 1%, the median employees wage increases by about 0.04%. Higher CEO compensation also increases the probability for the existence of employee stock ownership plans. We use a difference-in-difference setting to provide causal evidence for the relationship. Our findings suggest that behindness aversion of employees is an important driver of wages and increases the costs of executive compensation significantly. We structurally estimate a principal-agent model with two agents (CEO, representative employee) to identify the behindness aversion parameters.