

# Ching-Tse Chen

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## EDUCATION

**The University of Chicago Booth School of Business**  
*PhD in Finance*

Chicago, IL  
June 2026 (Expected)  
(On leave for military service Fall 2022 - Spring 2023)

**University of Toronto**  
*Honors BSc., Economics and Mathematics Specialist (with High Distinction)*

Toronto, ON  
June 2019

## REFERENCES

### Stefan Nagel (Chair)

Fama Family Distinguished Service Professor of Finance  
University of Chicago Booth School of Business  
[Stefan.Nagel@chicagobooth.edu](mailto:Stefan.Nagel@chicagobooth.edu)

### Pascal J. Noel

Sing Family Professor of Finance  
University of Chicago Booth School of Business  
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### Taisiya Sikorskaya

Assistant Professor of Finance  
University of Chicago Booth School of Business  
[Taisiya.Sikorskaya@chicagobooth.edu](mailto:Taisiya.Sikorskaya@chicagobooth.edu)

### Amir Sufi

Bruce Lindsay Distinguished Service Professor of Economics, Finance and Public Policy  
University of Chicago Booth School of Business  
[Amir.Sufi@chicagobooth.edu](mailto:Amir.Sufi@chicagobooth.edu)

## RESEARCH INTERESTS

Household Finance, Behavioral Finance

## JOB MARKET PAPER

**The Economic Consequences of Lower Retail Trading Costs** [\[link\]](#)  
*with Ming-Jin Lin*

2025

**Abstract:** Brokerage commissions have declined substantially over recent decades worldwide. This paper studies how lower trading costs affect retail investors and the market through increased speculation. We leverage a 2017 reform in Taiwan that reduced the transaction tax specifically for day trading. Using detailed account-level transaction data, we find that even though investors should mechanically benefit from lower trading costs, they respond in ways that ultimately reduce their portfolio returns. First, day trading volume increases significantly but this increase is driven disproportionately by less sophisticated investors who tend to lose money on each trade. Second, and surprisingly, day traders' gross returns per dollar traded worsen, eroding the mechanical tax-cut benefit. Consistent with the view that transaction costs serve a disciplinary role, we trace this performance deterioration to less attentive decision-making. Together, these responses result in losses concentrated among investors with smaller holdings, whereas large investors benefit. Despite individual-level losses, market quality improves: intraday liquidity increases and volatility decreases. Overall, our findings highlight a policy-relevant trade-off: increased retail speculation from lower trading costs can benefit markets while harming individual investors.

## PUBLICATION

### Debt Moratoria: Evidence from Student Loan Forbearance

*with Michael Dinerstein, Constantine Yannelis*  
*American Economic Review: Insights*, 6(2), 196-213, June 2024

2024

**Abstract:** We evaluate the effects of the 2020 student debt moratorium. Using administrative credit panel data, we compare borrowers whose loans were frozen to borrowers whose loans were not frozen based on whether the government owned the loans. We estimate that borrowers used the new liquidity to increase borrowing on mortgages, auto loans, and credit cards rather than avoid delinquencies. The effects are concentrated among borrowers without delinquencies, who saw no change in credit scores. The results highlight an important complementarity between liquidity and credit, as liquidity increases the demand for credit even as the supply of credit is fixed.

## WORKING PAPER

### Predictable Innovations in Subjective Risk Premia and Currency Returns

2022

**Abstract:** Using survey data on exchange rate and interest rate expectations, this paper investigates the source of predictable currency returns by interest rate differentials. With a present value decomposition of exchange rates, I highlight that the predictable innovation in subjective currency risk premia plays a crucial role in explaining the ex-post predictability of exchange rate forecast errors, which results in predictable currency returns widely-documented in the literature. This is a novel channel of predictability not emphasized in exchange rate models featuring rational expectations or assuming investors make predictable errors for interest rates. As an illustration, I propose a reduced-form model with time-varying subjective perceptions of risk that generates predictable innovation in subjective risk premia. I further present empirical evidence that is consistent with a key property of the model—a positive relationship between subjective perceptions of risk and subjective return expectations.

## OTHER EMPLOYMENT AND RESEARCH EXPERIENCE

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<b>Analysis Group</b> <i>Summer Associate Intern</i>	New York, NY Summer 2024
<b>Ministry of the Interior, Republic of China</b> <i>Substitute Military Service</i>	Taipei, TW 2022-2023
<b>Chicago Booth</b> <i>Research Assistant for Wenxin Du</i>	Chicago, IL 2020
<b>Columbia Business School</b> <i>Research Assistant for Charles Calomiris, Harry Mamaysky</i>	New York, NY Summer 2018
<b>University of Toronto</b> <i>Research Assistant for Pat Akey, Chayawat Ornthanalai</i>	Toronto, ON 2017-2019

## TEACHING

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### Chicago Booth

MBA: Corporate Finance (TA for Victor Lyonett)

Undergraduate: Corporate Finance (TA for Ehsan Azarmsa)

## PROFESSIONAL SERVICE

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Yiran Fan Memorial Prize Award Selection Committee	2025
Chicago Booth Brownbag Co-Organizer	2022
PhD Student Mentor	2021

## AWARDS AND FELLOWSHIPS

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Eugene F. Fama PhD Fellowship	2025
Fama Miller Center Research Grant	2023
Fama Miller Center Research Grant	2021
CRSP Summer Research Grant	2020
Fama Miller Center Research Grant	
Booth Doctoral Fellowship	2019

## SKILLS

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**Programming and Software:** Python, Stata, R, SQL, Bloomberg, Latex, Excel

**Language:** English (fluent), Chinese (fluent)