

Ching-Tse Chen

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EDUCATION

The University of Chicago Booth School of Business
PhD in Finance

Chicago, IL
June 2026 (Expected)

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

Toronto, ON
June 2019

RESEARCH INTERESTS

Household Finance, Behavioral Finance

PUBLICATIONS

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 PAPERS

The Economic Consequences of Lower Retail Trading Costs (Job Market Paper)
with Ming-Jin Lin

2025

Abstract: What happens when trading becomes cheaper for retail investors? This paper provides causal evidence on investor behavior and market outcomes by studying a 2017 tax reform in Taiwan that halves the transaction tax on day trading, a short-term strategy dominated by retail investors. Using detailed transaction data, we show that the reform leads to a substantial increase in day trading volume, driven disproportionately by less sophisticated traders. Beyond changes in trader composition, lower costs also reduce individual performance by encouraging more impulsive behavior, consistent with the idea that transaction costs serve a disciplinary function. The behavioral responses in trading activity and performance fully offset the expected gains from lower costs, leaving the average day trader worse off, with losses concentrated among lower-wealth investors. Despite these individual-level costs, the surge in day trading improves market quality. We find that lower day trading costs increase intraday liquidity and, contrary to common concerns, reduce volatility, highlighting the liquidity provision role of noise trading. Overall, the findings underscore the trade-off policymakers face when designing interventions that affect explicit trading costs for retail investors.

Global Investor Expectations and Currency Return Predictability

2022

Abstract: Using survey data on exchange rate and interest rate expectations, this paper investigates the source of predictable exchange rate expectation errors by interest rate differentials. With a present value decomposition of exchange rates, I highlight that the predictable innovation in subjective currency 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.

EMPLOYMENT

Analysis Group
Summer Associate Intern

New York, NY
Summer 2024

TEACHING

Chicago Booth

MBA: Corporate Finance (TA for Victor Lyonett)

Undergraduate: Corporate Finance (TA for Ehsan Azarmsa)

PROFESSIONAL SERVICE

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

AWARDS AND FELLOWSHIPS

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

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

Language: English (fluent), Chinese (fluent)

COMMITTEE MEMBERS

Stefan Nagel (Chair)

Fama Family Distinguished Service Professor of Finance
University of Chicago Booth School of Business

Pascal J. Noel

Sing Family Professor of Finance
University of Chicago Booth School of Business

Taisiya Sikorskaya

Assistant Professor of Finance
University of Chicago Booth School of Business

Amir Sufi

Bruce Lindsay Distinguished Service Professor of Economics, Finance and Public Policy
University of Chicago Booth School of Business