

Academic Research Monitor

Asia Pacific Quant Conference 2017 proceedings

Our inaugural Asia Pacific conference

On the 15th November, we hosted our inaugural Asia Pacific quant conference at the UBS office in Hong Kong—thanks to all clients that attended. 6 external speakers and 3 internal speakers presented material ranging from the changing investment landscape in China, to the emerging developments in alternative data and machine learning.

By popular demand... the presentation slides

In this very brief report, we simply collate the speaker presentations from our recent conference for those clients unable to attend in person. Speaker biographies are also included. We look forward to seeing you again at the next conference.

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Presentations

<p><u>The truth about China's financial industry: The guaranteed bubble?</u></p> <p>Ning Zhu, Professor, Shanghai Advanced Institute of Finance</p>
<p><u>Anomalies Abroad: Beyond Data Mining</u></p> <p>Yuan Yu, Associate Professor, Shanghai Advanced Institute of Finance</p>
<p><u>AI in financial markets</u></p> <p>Michael Zhang, Professor of Decision Sciences, Chinese University of Hong Kong</p>
<p><u>Big data, machine learning and the future of quant</u></p> <p>Gerald Garvey, PhD, Managing Director, BlackRock</p>
<p><u>Opportunities, challenges, and trends to quants in Asia</u></p> <p>Ning Zhu, Professor, Shanghai Advanced Institute of Finance</p>
<p><u>Measuring China's economic activities by mining alternative data</u></p> <p>Haishan Wu, Heyi Ventures/Sandalwood Advisors, Baidu</p>
<p>Knowledge Representation AI and Accounting Red Flags</p> <p>Guy Weyns, Global Head, Fundamental Analytics, UBS</p> <p>Please get in touch with <u>Guy Weyns</u> to discuss his latest research</p>
<p><u>Managing the PM-Trader objective conflict: A systematic approach</u></p> <p>Jing Wu, Professor, City University of Hong Kong</p>
<p>Assessing TCA: The Devil in the Detail</p> <p>Alex Healey, APAC Head of Algos and Analytics</p> <p>Please get in touch with Alex Healey to discuss</p>
<p><u>At which participation rate should you trade?</u></p> <p>Shanle Wu, Quant Analyst, UBS</p>

Speaker Biographies

Paul Winter

APAC Head of Quant, UBS

Paul Winter heads up the Quantitative Research team across Asia Pacific and has followed the equity markets for 18 years. His areas of expertise include investment strategy, portfolio construction and quantitative analysis. His research interests include: understanding demographics, macro factor risk, and alpha strategies. Prior to joining UBS, Paul held positions with Investors Mutual, Bear Stearns, Citigroup and Dresdner Kleinwort Benson. Paul has an MBA from the Brisbane Graduate School of Business.



Ning Zhu

Professor, Shanghai Advanced Institute of Finance

Ning Zhu is a Professor of Finance at the Shanghai Advanced Institute of Finance, a faculty fellow at the Yale University International Centre for Finance, and a Special Term Professor of Finance at University of California, Davis and at Guanghua School of Management at Beijing University. Prior to coming back to Asia, he was a tenured professor of finance at University of California. Professor Zhu is an expert on behavioural finance, investments, corporate finance, and the Asian financial markets. He has published numerous articles in leading journals in the finance, economics, management and legal fields.



Yuan Yu

Associate Professor, Shanghai Advanced Institute of Finance

Yu Yuan is an Associate Professor of Finance at Shanghai Advanced Institute of Finance (SAIF). He is also a research associate at Federal Reserve Bank at Dallas and faculty fellow at Wharton Financial Institution Centre. Before joining SAIF, he was a Visiting Assistant Professor at Wharton School from 2010 to 2012 and an Assistant Professor at University of Iowa from 2008 to 2011. Professor Yuan's research focuses on the areas of asset pricing, behavioural finance and international finance. He has published in leading financial journals, including Journal of Financial Economics, Journal of Finance and Review of Financial Studies. He is the recipient of the AQR Insight Award, Honourable Mentions, 2012, Marshall Blume Prize, Honourable Mentions, 2012 and Xia Yihong Best Paper Awards, 2008.



Michael Zhang

Professor of Decision Sciences and Managerial Economics, Chinese University of Hong Kong

Professor Michael Zhang is a Professor of Decision Sciences and Managerial Economics at the Chinese University of Hong Kong, and an affiliated faculty at MIT Initiative for Digital Economy. He holds a PhD in Management from MIT Sloan School of Management, an MSc in Management, a BE in Computer Science and a BA in English from Tsinghua University. Professor Zhang's research interests are on issues related to creation, dissemination and processing of information in business and management contexts. His works study pricing of information goods, online word-of-mouth, online advertising, incentives of creation in open source and open content projects, and use of artificial intelligence in financial markets. Before joining academia, he worked as an analyst for an investment bank, and as an international marketing manager for a high-tech company.



Gerald Garvey

PhD, Managing Director, BlackRock

Gerald Garvey, PhD, Managing Director, is a member of BlackRock's Scientifically-Driven Active Equity team. Dr Garvey's service with the firm dates back to 2004, including his years with Barclays Global Investors (BGI), which merged with BlackRock in 2009. Dr Garvey has served as head of research for US & Global Active Equities and now co-head of Equity Research globally. His research is based on applied microeconomics and has spanned from short-term trading to company strategy at the company, industry, and country levels. Prior to joining BGI, Dr Garvey was an academic for 15 years including at the University of British Columbia, Sydney University, Australian National University and the Australian Graduate School of Management in the University of New South Wales.



Haishan Wu

Heyi Ventures / Sandalwood Advisors, Baidu

Dr Haishan Wu is the Chief Data Scientist of Heyi Ventures and the founder of SenSight. Prior to that, he was a senior data scientist in Big Data Lab of Baidu Research, and the tech lead of Baidu Spatial-temporal Brain, an AI platform for alternative data driven investment research. Dr Wu's work are not only published in prestigious journals like Proceedings of the National Academy of Sciences, but also widely featured by media including Bloomberg, CNN Money, The Economist, Wall Street Journal, CNBC, Forbes, World Economic Forum, MIT Technology Review, New Scientist, NPR, Washington Post. His research was selected as best of 2015 by MIT Technology Review in 2015. Haishan Wu worked as postdoc researcher in Princeton University before joining Baidu in 2014. Prior to that, he also worked as researcher in IBM research centre. Haishan Wu graduated and earned his PhD in computer science from Fudan University



Guy Weyns

Global Head, Fundamental Analytics, UBS

Guy Weyns is a managing director in UBS's Investment Research division. He leads our Fundamental Analytics team, which advises clients on all analytical aspects of the fundamental investment process. In this capacity he currently leads our artificial intelligence efforts in Research. After obtaining his PhD from Stanford University, Guy joined the faculty of Harvard Business School, where he taught the core MBA course on Financial Reporting and Control. In 1995 he joined Goldman Sachs, where he worked in both the Principal Investments area and the Financial Institutions M&A group. In 2003 Guy joined Morgan Stanley's Investment research division, where he advised portfolio managers around the world on international financial statement analysis issues, such as Earnings Quality in Emerging Markets. At Morgan Stanley he was also responsible for creating and directing the bank's thematic research effort, the Morgan Stanley Blue Papers. Before joining UBS in 2016, Guy was on academic sabbatical as a faculty member of Singapore Management University (SMU), where he taught in various executive programmes, including the CFO programme at Tsinghua University in Beijing. In 2015 he was the recipient of SMU's Teaching Excellence Award for postgraduate programmes.



Jing Wu

Professor, City University of Hong Kong

Jing Wu [吳靖] received his PhD and MBA from the University of Chicago, Booth School of Business, and his bachelor degree in electronic engineering from Tsinghua University. His research interests include supply chains, operations and finance, economic networks, asset pricing, and machine learning applications. He designs and teaches master level Operations Management and PhD level Statistical Machine Learning at College of Business. Prior to joining CityU, he worked at Deutsche Bank in New York as a quantitative equity strategist and at McKinsey & Company in Shanghai as a business analyst.



Shanle Wu

Quant Analyst, UBS

Shanle has been working in the UBS APAC quant research team since 2009. Her main research areas include alpha generation, portfolio construction and risk management. Prior to joining UBS in January 2009, she worked as a part-time lecturer at the London School of Economics and Political Science. She holds a PhD in mathematical finance from the London School of Economics, an MSc in statistics from University College London, and a BSc in statistics from Peking University



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Buy	FSR is > 6% above the MRA.	45%	26%
Neutral	FSR is between -6% and 6% of the MRA.	39%	23%
Sell	FSR is > 6% below the MRA.	16%	11%
Short-Term Rating	Definition	Coverage ³	IB Services ⁴
Buy	Stock price expected to rise within three months from the time the rating was assigned because of a specific catalyst or event.	<1%	<1%
Sell	Stock price expected to fall within three months from the time the rating was assigned because of a specific catalyst or event.	<1%	<1%

Source: UBS. Rating allocations are as of 30 September 2017.

1: Percentage of companies under coverage globally within the 12-month rating category.

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