Haoyuan Li

Lee Kong Chian School of Business
Singapore Management University
50 Stamford Road, Singapore 178899

☐ +65 8452-0621
☐ +86 151-0106-9123
✉ haoyuan.li.2015@pbs.smu.edu.sg

Education

Singapore Management University   **Singapore**
Ph.D. Candidate in Finance   *Degree expected 2020*

Central University of Finance and Economics   **China**
Master of Science (*Economics*)   *2015*

Beijing University of Posts and Telecommunications   **China**
Bachelor of Engineering (*Computer Science*)   *2012*

Research Interests

Empirical asset pricing, Behavioral finance, FinTech, Textual Analysis

Working Papers

o **"Analyst report content and stock market anomalies"** (*Job Market Paper*).

Abstract: A series of recent papers document that security analyst recommendations tend to contradict stock-mispricing signals. This seems at odds with the large prior literature on the investment value of analyst recommendations. What justifications do analysts make when they write reports on mispriced stocks? I use the latest techniques in machine learning and textual analysis to categorize the qualitative information in a large sample of analyst reports. I find that report content can be intuitively classified into five categories or topics: 1) Growth, 2) Earnings, 3) New developments, 4) Management transactions, and 5) Conviction. I then relate the frequency of each topic and the tone surrounding the topic to stock-anomaly mispricing signals. I find that although analysts are incorrectly optimistic about overvalued stocks in general, reports on new developments and management transactions have investment value after controlling for the predictive power of the mispricing signals. For undervalued stocks, while analysts are on average incorrectly pessimistic, reports on growth, new developments, and management transactions have investment value. Overall, this paper helps to understand how analysts provide value in their reports even when the report ratings appear to contradict well-known signals of mispricing.

o **"The information cycle and return seasonality"** (*with Roger Loh*). Presented at 2019 SMU Finance Summer Camp. To be presented at SFS Cavalcade Asia Pacific 2019.

Abstract: Heston and Sadka (2008) find that the monthly cross-sectional returns of stocks depend on their historical same calendar-month returns. We propose an information-cycle explanation for

this seasonality anomaly|that firms' seasonal release of information coincide with higher returns during months with such dissolution of information uncertainty, and lower returns during months with no information releases. Using earnings announcements and changes in implied volatility as proxies for information releases, we find that seasonal winners in information-release months and seasonal losers in noninformation release months indeed drive the seasonality anomaly. Our evidence shows that scheduled information releases can give rise to the appearance of an anomalous seasonal pattern when stock returns are in fact responding rationally to information uncertainty.

o **[Preliminary]"Learning to be optimistic"** (*with Gennaro Bernile and Roger Loh*).

Abstract: Over optimism is one of most commonly documented behavioral biases. The current research explores the source and evolution of optimistic bias among analysts. We find that analysts who are optimistic about future earnings tend to be more optimistic when future earnings happen to be high. Moreover, using economic shocks and star-voting results as exogenous validation events, we show that analysts will tend to display more optimism in the future even if that optimism is not warranted. This effect is stronger among analysts with lower general and specific experience. Our study suggests that behavioral biases, such as over-optimism, might not be innate but could be learned.

Teaching Experience

Teaching Assistant
o *Corporate Finance* (Undergraduate), Prof. Chi Shen Wei	Fall 2019
o *Finance* (Blended) (Graduate), Prof. Roger Loh & Dr. Ser Keng Ang	Spring 2019
o *Advanced Portfolio Management* (Graduate), Dr. Tolmas Wong	Spring 2018
o *Financial Markets* (Graduate), Prof. Roger Loh	Spring 2017

Teaching Training
o Teaching Certificate, Centre for Teaching Excellence, SMU	Jun.-Nov. 2017
o English Skill Certificate, British Council	Oct.-Dec. 2017

Technical Skills

Programing skills	SAS, Python, Stata, Matlab, LATEX
Database Experience	Compustat, CRSP, I/B/E/S, SDC, Thomson Reuters

References

Prof. Roger LOH (Committee chair)
Associate Professor of Finance
Lee Kong Chian School of Business
Singapore Management University
Tel: (+65) 6828-0243
rogerloh@smu.edu.sg

Prof. Rong WANG (Committee member)
Associate Professor of Finance
Lee Kong Chian School of Business
Singapore Management University
Tel: (65) 6828-0148
rongwang@smu.edu.sg

Prof. Weikai LI (Committee member)
Assistant Professor of Finance
Lee Kong Chian School of Business
Singapore Management University
Tel: (65) 6828-9651
wkli@smu.edu.sg

Prof. Gennaro BERNILE
Associate Professor of Finance
School of Business Administration
University of Miami
Tel: (1) 305-284-6019
g.bernile@miami.edu

Updated: Nov 2019