Xincheng Yao

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EDUCATION

University of Michigan, Ann Arbor, MI **Aug 2023 – April 2025 (Expected)**
M.S. in Quantitative Finance and Risk Management

Nanjing University **Sept 2019 - Jun 2023**
Bachelor in Financial Engineering GPA:3.85/4.0

PROFESSIONAL EXPERIENCE

Rising Assets **May 2024 - Present**
Quantitative Researcher - Intern Guangdong

- Leveraged Python and regression models to innovate factor construction and unveil nuanced stock price dynamics.
  - ➢ Engineered models for cash flow manipulation using the Roychowdhury earnings management framework. Tailored industry-specific models, achieving an annualized return of 14.87% during 2018-2023 backtesting.
  - ➢ Developed expected dividend yield factor by analyzing company net profit stability. Employed dynamic predictions based on historical profit distributions, resulting in an annualized excess return of 15.6% from 2018 to 2023.

Guangdong DE Xin Yue Bi Wealth Investment Center **Jun 2023 - May 2024**
Quantitative Researcher - Intern Guangdong

- Utilized Python programming, machine learning and Prospect Theory, to forecast the expected value of equities.
  - ➢ Used Multi-Logit regression to predict extreme return probabilities.
  - ➢ Calculated expected stock values based on return distributions and Prospect Theory.
  - ➢ Achieved average annual excess returns of 16.3% during a 2012-2021 backtest.
- Applied SVR-DWT integrated models to predict monthly stock returns.
  - ➢ Employed discrete wavelet transform (DWT) for comprehensive feature extraction from time series data.
  - ➢ Implemented SVR models with a Gaussian kernel to forecast next-month returns based on the extracted features.
  - ➢ Achieved a monthly RMSE of 0.128.

HaiNan ShengGuanDa Private Fund Management **Mar 2023 - Jun 2023**
Quantitative Trader - Intern Shanghai

- Employing LGBM model's feature importance in K-fold CV for feature selection to predict intraday stock price changes.
  - ➢ Implemented T0 trading strategy based on the prediction, yielding 47.4% annualized return(2019).

China Securities **Jan 2022 - Jun 2022**
Quantitative Researcher - Intern Shanghai

- Implemented lasso regression to develop an industry rotation model based on fund position estimations.
  - ➢ Conducted backtesting of the strategy 2011-2022, resulting in an annualized excess return of 10.34%.
- Applied ridge regression to forecast prosperity of home appliance industry, constructing quantitative timing strategies.
  - ➢ Achieved precision with average prosperity deviations under 1%, with 20.48% annual returns(2007-2022).

RESEARCH EXPERIENCE

University of Cambridge: AI Algorithm Analysis of Economic Impact **Jul 2022 - Oct 2022**
Research Assistant

- Trained data of CMRC2018 by CEBRT-wwm with:PrLM encoder, sentence-level self attention and Fusion cross-attention layer, with average accuracy rate reaching 78.1% and F1-score reaching 86.8%.
- Realized intelligent parsing function of an express delivery platform, by analyzing unstructured text and extracting user's information with F1-score reaching 95.4%, precision rate 95.3%and recall rate 95.5%.

Massachusetts Institute of Technology: Machine Learning in Finance **Jun 2022 - Sep 2022**
Exchange Research Program

- The Implementation of Double-ensemble for Stacking Model to Predict Return of the Cryptocurrency (Bitcoin).
  - ➢ Proposed a robust and effective ensemble model Double-Ensemble for financial market forecasting through learning trajectory-based sample reweighting and shuffling-based feature selection.
  - ➢ Implemented a stacking method to nest a new model and accuracy reached 56%.

Citi Cup Financial Innovation Application Competition **Feb 2022 - Jun 2022**
Research Member of Financial Algorithm Group

- Textual ESG - an ESG evaluation platform based on multi-source textual information
  - ➢ Built metrics using NLP based on CSR reports, company news and analyst reports to assess ESG performance.
  - ➢ Provided portfolio recommendations based on ESG scores, established a well-developed backtest system.
  - ➢ Won the championship and ESG special award. Platform Website : https://esg.textualesg.com/

SKILLS

- Python (4 years): Numpy, Pandas, Tensorflow, Pytorch; R (4 years); Matlab(2 years); C(1 year)
- Machine Learning (NLP, Neural network, Decision tree), Regression Model (Logit, Lasso, Ridge)