

# WEI WANG

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## RESEARCH FIELDS

Asset Pricing, Investment, Machine Learning, Social Media

## EDUCATION

<b>Ph.D. Candidate in Finance</b> <i>Indiana University, U.S.</i>	2018-2023 (expected)
<b>M.A. Economics</b> <i>Tsinghua University, China</i>	2015-2018
<b>B.A. Economics &amp; B.S. Applied Mathematics</b> <i>Wuhan University, China</i>	2011-2015

## WORKING PAPERS

"Learning Costs and Information Quality: Why Do We Disagree?" (2022, Job Market Paper)  
*Abstract:* I study asset prices and portfolio choices in an exchange economy with an information market. Two providers decide the information quality and price. I demonstrate that when investors are heterogeneous in the costs of using information, an equilibrium exists where ex-ante homogeneous information producers differentiate ex post. This equilibrium is not socially optimal. The quality heterogeneity and disagreement volatility are too high. The impacts on stock prices are asymmetric when the information quality gap enlarges. When low-quality information deteriorates, the stock price volatility is lower. When high-quality information improves, the stock price volatility is higher. Stock price volatility negatively correlates with disagreement volatility ceteris paribus.

"Do Investors Overreact to Managerial Tones?" (2021)  
*Abstract:* This paper quantifies the size of uninformed investors by measuring market overreaction. Using texts in 10-Ks of SP500 constituents, I conduct a topical decomposition of managerial tones and find that market reaction is more sensitive to informative topics' tones. A structural estimation shows that uninformed investors account for only 1.06%, pushing the excess return by only 0.03 basis points. Overall, investors are selective in processing public information, and market overreaction to managerial tones is insignificant.  
*Conferences:* AFA 2022 (Poster)

## WORKING IN PROGRESS

"Twitter Bots, Corporations and Financial Markets" (2022), with Anthony Cookson (UColorado), Juhani Linnainmaa (Dartmouth), Alessandro Previtero (Indiana), and Filippo Menczer (Indiana)  
*Abstract:* Social media play a significant role in shaping public opinions and beliefs. This paper provides novel evidence about the strategic use of automated accounts (bots) in options markets. Using a twitter-bot detector developed by Observatory on Social Media (OSoMe), BotometerLite, we find that Twitter bot activity clusters around options' expirations. This strategy generates a short-lived change in underlying stock prices.  
*Conferences:* NBER HPC 2019, Indiana University

"Portfolio Liquidity and Mutual Fund Performance" (2021), with Charles Trzcinka (Indiana)

## PUBLICATIONS

Jiaren Pang, Dapeng Chen, and **Wei Wang**. *Margin Trading* and corporate investment: from the

perspective of outside system and information learning. *Review of Investment Studies, in Chinese*, 38(4), 2019.

Jiaren Pang, Hua Zhou, and **Wei Wang**. Determinants and wealth effects of listed companies' decisions to establish buyout funds. *Journal of Financial Research, in Chinese*, 452(2):153–171, 2018.

## CONFERENCES

2022: Kelley Finance PhD Seminar, NBER Meeting on Big Data and HPC for Financial Economics  
2021: American Finance Association  
2019: NBER Meeting on Big Data and HPC for Financial Economics, Kelley Finance PhD Seminar  
2018: Tsinghua Workshop in Finance  
2015: The 15th China Youth Economists Forum

## TEACHING EXPERIENCES

Instructor, Kelley School of Business, Indiana University  
Equity and Fixed Income Investment (Undergraduate): Fall 2021, Summer 2022  
*Teaching Evaluation*: 5.1/7.0, 6.1/7.0  
  
Teaching assistant, School of Economics and Management, Tsinghua University  
Principles of Economics I (Undergraduate): Fall 2017  
Managerial Economics (MBA): Fall 2016

## HONORS AND AWARDS

2018: Dean's Fellowship  
2016: National Scholarship  
2015: Outstanding Undergraduate Thesis  
2014: Chen Zuotao Alumni Fellowship  
2013: National Endeavor Fellowship

## LANGUAGE AND COMPUTER SKILLS

Proficient Programming Skills: Python, SAS, Stata, C++, Julia, R, Matlab.  
Languages: English (fluent) and Mandarin (native)

## REFERENCES

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