

The 29<sup>th</sup> Annual Conference on  
Pacific Basin Finance, Economics,  
Accounting and Management

September 3 and 4, 2021  
Rutgers University, USA

Conference Theme:  
**Risk Management, Financial Technology,  
and Derivatives**

# **The 29<sup>th</sup> Annual Conference on Pacific Basin Finance, Economics, Accounting and Management**

## **Conference Organizers:**

Rutgers Business School, Rutgers University, USA

## **Conference Co-Organizers:**

Foundation of Pacific Basin Financial Research and Development, Taiwan  
Fubon Financial Holding Co., Ltd., Taiwan

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Zhaodong Zhong, Rutgers University, USA

## Conference Agenda: Day 1

Friday, September 3 <sup>rd</sup> , 2021		
9:00a.m. – 9:10a.m.	<b>Opening Remarks by</b> <b>Professor Cheng Few Lee, Rutgers University, USA</b>	
9:10a.m. – 9:20a.m.	<b>Welcoming Remarks by</b> <b>Professor Lei Lei, Dean of Rutgers Business School, Rutgers University, USA</b>	
9:20a.m. – 10:10a.m.	<b>First Keynote Speech:</b> <b>Professor Guofu Zhou, Washington University in St. Louis, USA</b> ➤ Title: <b>Machine Learning in Finance</b> Chairperson: Oded Palmon, Rutgers University, USA	
10:10a.m. - 10:30a.m.	Tea Break	
10:30a.m. –12:00 p.m.	BREAKOUT SESSION I	
	Academic Session 1	<b>Investment Analysis (A)</b>
	Academic Session 2	<b>Financial Accounting (A)</b>
	Academic Session 3	<b>Corporate Finance (A)</b>
	Academic Session 4	<b>Management and Finance</b>
	Academic Session 5	<b>Mutual Fund</b>
	Academic Session 6	<b>Financial Technology (A)</b>
12:30p.m. – 1:15p.m.	<b>Luncheon Speech:</b> <b>Mr. R. Harold “Hal” Schroeder, Former Board Member of Financial Accounting Standards Board (FASB), USA</b> ➤ Title: <b>The Financial Reporting Supply Chain: Failing to Provide Investors with Sufficient Decision-Useful Data?</b> Chairperson: Dan Palmon, Rutgers University, USA	
1:30 p.m. – 3:00p.m.	BREAKOUT SESSION II	
	Academic Session 7	<b>Special Session - Term Structure and Risk Management</b>

		<b>Speaker: Dr. Thomas S. Y. Ho, Thomas Ho Company Ltd, USA</b> <b>Chairperson: Ken Zhong, Rutgers University, USA</b>
	Academic Session 8	<b>Investment Analysis (B)</b>
	Academic Session 9	<b>Financial Accounting and Economic Theory</b>
	Academic Session 10	<b>Banking and Insurance Management</b>
3:00 p.m. – 3:15 p.m.	Tea Break	
3:15p.m. – 4:45p.m.	BREAKOUT SESSION III	
	Academic Session 11	<b>Corporate Finance (B)</b>
	Academic Session 12	<b>Investment Analysis (C)</b>
	Academic Session 13	<b>Investment Analysis (D)</b>
	Academic Session 14	<b>Financial Accounting(B)</b>
5:30p.m. –6:15p.m	<b>Second Keynote Speech:</b> <b>Professor Richard Kihlstrom, The University of Pennsylvania, USA</b> <b>Chairperson: Darius Palia, Rutgers University, USA</b>	

## Conference Agenda: Day 2

Saturday, September 4 <sup>th</sup> , 2021		
9:00a.m. – 9:45a.m.	<b>Third Keynote Speech:</b> <b>Professor Wolfgang Karl Härdle, Humboldt University of Berlin, Germany</b> Chairperson: Dan Weaver, Rutgers University	
9:45a.m. – 10:30a.m.	<b>Fourth Keynote Speech:</b> <b>Professor Terry Marsh, Quantal International Inc. and University of California, Berkeley, USA</b> Chairperson: Yangru Wu, Rutgers University, USA	
10:30a.m. – 10:45a.m.	Tea Break	
10:45a.m. – 12:15 p.m.	BREAKOUT SESSION IV	
	Academic Session 15	<b>Financial Accounting And Auditing</b>
	Academic Session 16	<b>Options and Futures</b>
	Academic Session 17	<b>Investment Analysis (E)</b>
	Academic Session 18	<b>Corporate Finance (C)</b>
12:45p.m. – 1:30p.m.	<b>Luncheon Speech:</b> <b>Bharat Sarath, Rutgers University, USA</b> Chairperson: Suresh Govindaraj, Rutgers University, USA	
1:45p.m. – 3:15p.m.	BREAKOUT SESSION V	
	Academic Session 19	<b>Investment Analysis (F)</b>
	Academic Session 20	<b>Corporate Finance (D)</b>
	Academic Session 21	<b>Financial Technology(B)</b>
	Panel Session	<b>Behavioral Finance</b> Chairperson: Ron Richter, Rutgers University, USA

## **First Keynote Speaker: Professor Guofu Zhou**



Professor, Olin Business School  
Washington University in St. Louis, USA

Professor Guofu Zhou is Frederick Bierman and James E. Spears Professor of Finance at Olin Business School of Washington University in St. Louis. He has a BS degree from Chengdu College of Geology, China, and a PhD in economics from Duke University. Prior to his PhD studies, he was interested in mathematics with publications in number theory, function theory, and numerical solutions to partial differential equations. After his PhD, he has been working at Washington University since 1990, conducting research in finance in a number of asset pricing areas with numerous publications in *Journal of Financial Economics*, *Review of Financial Studies*, *Journal of Financial and Quantitative Analysis*, and *Journal of Finance*, as well as in industry journals such as *Journal of Portfolio Management* and *Financial Analyst Journal*. He has won awards for teaching MBA and MSF students and for his research.

His current research interests are primarily in Investment management, big data, machine learning, asset allocation, anomalies, empirical asset pricing, technical analysis, behavioral finance and Bayesian inference.

## Luncheon Speech Speaker: Mr. R. Harold “Hal” Schroeder



R. Harold “Hal” Schroeder is a CPA with over 40 years of diverse experience in investing and financial reporting. During his career, he has viewed the preparation of financial statements and the application of accounting standards from varying perspectives including auditor, preparer, investor and accounting standard setter.

Most recently he was a member of the Financial Accounting Standards Board (FASB) from 2011 to 2021, where he brought a strong investor perspective. Prior to joining the FASB, Mr. Schroeder was a partner at Carlson Capital, L.P., a Dallas-based money manager. He joined Carlson Capital’s relative value arbitrage team in 2000 and was a member of the firm’s management and investment committees. As a senior portfolio manager, he focused on the financial services industry, including both public and private companies.

Mr. Schroeder also spent five years as a senior equity analyst with Schroder & Company, Inc. (subsequently acquired by Citigroup Inc.) and KBW, Inc. (formerly Keefe, Bruyette & Woods Inc.), both based in New York City. From 1993 to 1995, he was Chief Financial Officer for New York-based Nafinsa Securities, Inc., and various other subsidiaries, of Nacional Financiera, SNC, the primary development bank for the Mexican government. Prior to that, he spent thirteen years with Ernst & Young, including the firm’s National office as well as client-serving roles in New Orleans and New York, where he was a partner in the financial services division.

From 2008 until his appointment to the FA, Mr. Schroeder was a member of FASB’s Emerging Issues Task Force (EITF). From 2008 to 2010 he also was a member of the Standing Advisory Group for the Public Company Accounting Oversight Board, the organization created by the Sarbanes-Oxley Act of 2002 to oversee the audits of public companies in order to protect the interests of investors and the public interest by promoting informative, accurate, and independent audit reports.

Mr. Schroeder earned his Master of Business Administration from Tulane University and a Bachelor of Science degree in accounting from the University of New Orleans.

## Special Session Speaker: Dr. Thomas S. Y. Ho



President of Thomas Ho Company Limited, USA

### PROFESSIONAL EXPERIENCE

1999- present: Founder and President of Thomas Ho Company Ltd (THC), is a leading financial engineering firm and ALM Solutions provider for financial institutions, based in New York City.

- THC was the first to introduce the arbitrage-free interest rate model: a widely used approach for balance sheet valuation and risk management
- Pioneered “Key Rate Durations”: a standardized method of measuring interest rate risk
- Created the first coupled prepayment default model for residential mortgages: accepted and used by the Federal Housing Finance Agency (FHFA)
- Designated by the Office of Thrift Supervision (OTS) to develop interest rate risk reports and computational infrastructure for monitoring over 800 banks
- Named one of the two ALM vendors of the 21st century Bank Asset/Liability Management A.S. Pratt, April 2014

Consultant to major financial institutions, including senior consultant at Enterprise Risk Management, AIG. He designed the global risk management system, ALM processes for the life companies, and risk monitoring for derivatives. During 2006-2011 Tom consulted for OTS/OCC and provided Net Portfolio Value risk reports to all OTS regulated banks and onsite examiners analytical systems.

Tom also taught in OCC examiners’ training sessions and assisted in bank mergers during the Financial Crisis.

Prior to July 1999, Tom was an Executive VP of BARRA, Inc., where he headed the Research Group in New York City. He integrated the fixed-income systems with the equity systems.

When Tom founded (Global Advanced Technology) GAT in 1987, he developed cutting edge technology for delivering innovative solutions to 250 major global institutional clients. Out of the top 10 largest life insurance companies then, nine of them were GAT clients. GAT formed an alliance with Tillinghast that was the 1st to introduce an economic value-based asset and liability management process.

During 1978 to 1987 Tom worked as a Professor of Finance in New York University's Stern School of Business. He became full professor in 1985.



## ACCOMPLISHMENT SUMMARY

- Elected member of the US Financial Economists Roundtable
- Elected selection committee member of the Financial Engineering Award
- Named one of the most prolific authors in finance based on a study by Cooley and Heck, Journal of Finance (2003)
- The Ho-Lee model is the first arbitrage-free interest rate model. The paper is ranked 17th of most cited papers in 20 years by Risk Magazine
- Interviewed in Bloomberg magazine featured article
- Author of key rate durations (the widely used interest rate risk measure), estimated \$14 trillion asset under management using key rate durations. Institutions such as BlackRock, FNMA include key rate durations as their standard interest rate risk measures. Widely used in analytical systems which include Bloomberg Terminals

## EDUCATION

1973- 1978 - PhD in Mathematics, the University of Pennsylvania. Taught at Wharton School, University of Pennsylvania 1978. Recipient of one of the most prestigious US scholarships, the Thouron Scholarship, available to all British students

1970-1973 - BSc Mathematics, University of Warwick, England. Recipient of the University Prize for Mathematics, highest grade of the graduating year of the university

## CURRENT ACTIVITIES

- Associate Editor of Journal of Investment Management
- Global Association of Risk Professionals, contributor for examinations
- Advisory Board member of the Finance Mathematics Program, Courant Institute of Mathematics, New York University

## Second Keynote Speaker: Professor Richard E. Kihlstrom



The Wharton School,  
University of Pennsylvania, USA

### Education

PhD, University of Minnesota, 1968; BA, Purdue University, 1964

### Career and Recent Professional Awards; Teaching Awards

Fellow, Econometric Society, 1981

### Academic Positions Held

Wharton: 1979-present (Chairperson, Finance Department, 2006-present; Chairperson, Finance Department, 1988-94; named Ervin Miller-Arthur M. Freedman Professor of Finance, 1986; Associate Director, Doctoral Programs, 1986-88). Previous appointments: Northwestern University; University of Illinois; State University of New York at Stony Brook; University of Massachusetts.

Richard Kihlstrom is currently the Miller-Freedman Professor of Finance at the Wharton School of the University of Pennsylvania. He received his BA in Economics from Purdue University in 1964 and his PhD in Economics from the University of Minnesota in 1968. He previously taught at Northwestern University, the University of Massachusetts, Amherst, SUNY, Stony Brook and the University of Illinois, Urbana-Champaign. He has been at the University of Pennsylvania since 1979 and served as Chairman of the Finance Department at Wharton from 1988 to 1994 and again from 2006 to 2010.

His publications have appeared in *Econometrica*, *the Journal of Economic Theory*, *the Review of Economic Studies*, *the Bell Journal of Economics*, *the Journal of Political Economy*, *the Quarterly Journal of Economics*, *the Journal of Mathematical Economics*, *the Penn Law Review*, *the International Economic Review*, *the Journal of Financial Intermediation*, *the Journal of Economics and Management Strategy*, *the Journal of Economic Dynamics and Control* and *the American Economic Review*.

He was elected a fellow of the Econometric Society in 1981.

## Third Keynote Speaker: Professor Wolfgang Karl Härdle



Ladislaus von Bortkiewicz Professor of Statistics

Humboldt University of Berlin, Germany

Professor Wolfgang Karl Härdle completed his Dr. rer. nat. in Mathematics at Heidelberg University and received his habilitation in Economics at Bonn University. He was the founder and Director of Collaborative Research Center CRC 373 “Quantification and Simulation of Economic Processes” (1994 - 2003), Director of CRC 649 “Economic Risk” (2005 - 2016) and also of C.A.S.E. (Center for Applied Statistics and Economics) (2001 -

2014). He is currently heading the Sino-German Graduate School (洪堡大学 + 厦门大学)

学) IRTG1792 on “High dimensional non stationary time series analysis”. He is the

Ladislaus von Bortkiewicz Professor at Humboldt Universität zu Berlin and director of the BRC the joint Blockchain Research Centre with Zurich U. His current research focuses on modern machine learning techniques, smart data analytics and the crypto currency eco system. He has published more than 40 books and more than 350 papers in top statistical, econometrics and finance journals. He is highly cited, and among the top scientist registered at REPEC and has similar top notch rankings in other scales, such as the Handelsblatt ranking. He has professional experience in financial engineering, structured product design and credit risk analysis. His recent research extends nonparametric paradigms into machine learning, decision analytics and data science for the digital

economy. He is the Editor in Chief of the Springer Journal „Digital Finance“. He supervised more than 60 PhD students and has long-term research relations to research partners in the USA, Singapore, Prague, Warsaw, Paris, Cambridge, Beijing, Xiamen, Taipei among others.

## **Fourth Keynote Speaker: Professor Terry Marsh**



CEO of Quantal International, INC.

Emeritus Professor of Finance at U.C. Berkeley

Professor Terry Marsh is the CEO of Quantal International and an Emeritus Professor of Finance at U.C. Berkeley. He grew up in the Australia neighborhood of the Pacific Basin where he received a Bachelor of Commerce (Honors) and University Medal from the University of Queensland in Australia! He then moved to the U.S. and received his MBA and Ph.D. degrees from the University of Chicago.

He was a finance professor and former chairman of the Finance Group at U.C. Berkeley until 2005 when he became Emeritus. Before joining Berkeley, Terry was an Associate Professor of Finance at MIT. He received a Batterymarch Fellowship and was a National Fellow at Stanford's Hoover Institution. He has consulted for the New York Stock Exchange, the Options Clearing Corporation, Banamex in Mexico, and was a member of the U.S. Presidential Task Force on Market Mechanisms that investigated the October 1987 stock market crash.

Terry again lived twice in Asia, in Japan: He was a consultant to the Industrial Bank of Japan and New Japan Securities in 1990-1991, and a Visiting Professor of Economics at the University of Tokyo in 1993.

Terry is an Associate Editor of the Journal of Fixed Income, the Journal of Investing, and the Review of Pacific Basin Financial Markets and Policies. He is a Member of the Advisory Board for Studies in Economics and Finance, a Board Member of the Japan Society of Northern California, a Member of the Rosebrook Capital Advisory Board, and a member of Manifold Partners' Scientific Advisory Board.

## Luncheon Speech Speaker: Professor Bharat Sarath



**Bharat Sarath** is a professor of accounting at Rutgers University and Editor-in-Chief of the Journal of Accounting, Auditing and Finance. Prior to coming to Rutgers, Dr. Sarath taught Mathematics at Shiraz University and the University of Calgary and Accounting at the Wharton School, University of Pennsylvania, the Stern School at New York University and the Stan Ross School of Accountancy at CUNY/Baruch. He received a BA (Honors) in Mathematics from Pembroke College, Cambridge and also holds doctorates in Mathematics (University of Calgary) and Accounting (Stanford University). Dr. Sarath has published papers in Mathematics, Physics, Economics and Accounting.

Dr. Sarath's experience in teaching includes Executive Teaching for Rutgers University, Morgan Stanley, Credit-Suisse and FCMG, CUNY/Baruch, the University of Pennsylvania Engineering School, and the United Nations. His business-related consulting experience includes development of costing systems for the New York City Board and the United Nations as well as Statistical analysis related to legal actions. Dr. Sarath has travelled widely and speaks several languages including Russian, Farsi and Tamil.