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CONTACT INFORMATION

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EDUCATION

Ph.D in Financial Management, IESE Business School, University of Navarra (2016 – 2021)

Visiting Research Student, London School of Economics and Political Sciences (2020)

M.Sc. in Global Management (with Distinction), Thunderbird/Arizona State University (2014 - 2015)

B.Sc. in Business Administration & Economics, University of Oregon (2011 - 2014)

B.Sc. in Financial Management (Transferred), Guangdong University of Foreign Studies (2009 - 2011)

RESEARCH INTERESTS

Corporate Governance, Banking, Mergers and Acquisitions, Interconnections Through Capital Markets

JOB MARKET PAPER

1. **Taking No Chances: Bank Mergers, Lender Monitoring, and Corporate Acquisitions**

Presented at:
LSE PhD Seminar; IESE MS Seminar; 28th Finance Forum PhD Day (Awarded Best Paper); AFA PhD Poster Session 2021 (Scheduled)

Abstract: Using mergers between firms' existing lenders as shocks to the incentive and bargaining power to monitor, I find that intensified lender monitoring significantly reduces borrowers' public takeover activities. The effect is driven by mergers involving lead lenders, and becomes stronger for less bank-dependent firms with more risk-taking tendencies. However, lender mergers reduce not only acquisitions that are value-destroying to shareholders but also value-enhancing ones. Deals that do happen create no additional shareholder value and target cash-rich firms with stable incomes. These results suggest that lender monitoring mitigates agency concerns, yet it also leads to over-conservative firm behavior.

PUBLICATIONS

2. **The Mutual Friend: Dual Holder Monitoring and Firm Investment Efficiency** (with Miguel Anton) **Review of Corporate Finance Studies, Volume 9, Issue I, 2020**

Abstract: We investigate the influence of simultaneous equity holding by large creditors (dual holders) on investment efficiency in U.S. public firms. Such creditors have stronger incentives and power to monitor firm investment as they have cash flow and control rights from both the debt and the equity side. We provide evidence that dual holders, particularly non-commercial bank dual holders, significantly mitigate over-investment. For high growth firms and those subject to debt overhang, dual holders also alleviate the under-investment problem since they align shareholder and creditor incentives. Equity value increases at the presence of dual holders. Overall, the evidence indicates that by improving firm investment efficiency, dual holders not only make creditor investments safer, but also create value for shareholders.

WORKING PAPERS

3. **Beyond the Target: M&A Decisions and Rival Ownership** (with Miguel Anton, Jose Azar, and Mireia Gine) – Under Review

Presented at: (*by coauthor)
SFS Calvacade NA 2020*; 2020 AFA; FMA Asia 2019; 2019 AFA PhD Poster; EFMA 2019; FMA Europe 2019; 2nd CESC*; 27th Spanish Finance Forum*; IV MadBar Workshop in Banking and Corporate Finance*
Featured at Competition Policy International
Abstract: Diversified acquirer shareholders can profit from value-destroying acquisitions not only through their target stakes, but also through their stakes in non-merging rival firms. We find that announcement losses are largely mitigated for the average acquirer shareholder when accounting for wealth effects on their rival stakes. Close to a third of acquirer shareholders benefit from bad acquisitions at the industry portfolio level. Rival ownership by acquirer shareholders is negatively associated with acquirer CAR and deal synergy, but positively associated with the completion probability of bad deals. Overall, these results show that many so-called "bad deals" are often in the interest of acquirer firm shareholders.

4. **Agree to Disagree: Within-Syndicate Conflicts and Syndicated Loan Contracting** (with Yongqiang Chu and Zhanbing Xiao)

Presented at:
33rd Australasian Finance and Banking Conference (Scheduled)
Abstract: Prior studies show that creditors' simultaneous equity holding mitigates shareholder-creditor conflict. We show that a new type of conflict arises in syndicates with such dual holders, due to the heterogeneity across syndicate members' equity-to-loan positions. We find that loans with higher within-syndicate conflicts rely less on performance covenants, which serve as tripwires to facilitate ex-post control transfer from shareholders to creditors. Renegotiation is also less likely as conflict increases. Instead, high-conflict loans rely more on capital covenants, which align shareholder-creditor interests ex-ante and incentivize shareholders to monitor. Moreover, lead arrangers retain larger shares in high-conflict loans to commit to monitoring beyond contractual provisions. Finally, high-conflict loans tend to be smaller, shorter, and more costly.

5. **Shareholder-Creditor Conflicts and Market Efficiency: Evidence from the Equity Lending Market** (with Yongqiang Chu, Pedro Saffi, and Jason Sturgess) – Draft Coming Soon

Abstract: Using institutional investors' simultaneous debt-equity holdings as a proxy for aligned shareholder-creditor incentives, we study how shareholder-creditor conflicts affect short-selling constraints. We find that equity lending supply is higher in firms with such dual holders. We use shareholder-lender mergers to establish causality for this effect. Additionally, shareholders are less likely to recall on-loan shares before a voting event when dual holders are present. Dual holder presence is also associated with less delay in the correction of mispricing. The evidence indicates that when shareholder-creditor conflicts are low, shareholders find less need to retain their shares for bargaining power or to prevent stock price decline. Our results suggest that shareholder-creditor conflicts give rise to limits to arbitrage and have a real effect on market efficiency.

6. **Great Tree are Good for Shade: Creditor Monitoring Under Common Ownership**

Presented at:
AFA Poster 2020; EFMA 2019; FMA Europe 2019;2nd CESC; Asian FA 2019; FMA Asia 2019
Abstract: Existing studies show that common institutional ownership of multiple industry firms improves governance over management, because such common owners possess industry-wide information advantage and governance expertise. This paper studies whether creditors perceive common owners as allied monitors or potential powerful expropriators. I find that creditors impose less restrictive covenants on loans to firms with higher common ownership. A quasi-natural experiment using financial institution mergers suggests that the relationship is likely to be causal. This effect of common ownership is mainly pronounced in firms with more financial risk, weaker shareholder governance, and lower creditor bargaining power. Overall, these findings indicate that creditors benefit

from better governance by common owners, and therefore exert less monitoring effort in firms with higher common ownership.

CONFERENCE AND SEMINAR PRESENTATIONS

2020: AFA; AFA Poster Session; LSE PhD Seminar; IESE MS Seminar; 28th Finance Forum PhD Day

2019: Asian FA; FMA Asia; EFMA; FMA Europe; 2nd CESC; AFA Poster Session; IESE MS Seminar

2018: PFMC; 26th Spanish Finance Forum; IESE MS Seminar

GRANTS AND AWARDS

AEFIN 28th Finance Forum Best PhD Paper (€ 1,000)	2020
American Finance Association Doctoral Student Travel Grant ($ 1,200)	2019
IESE Research Fellowship (€ 19,500 per annum)	2016-2021
Beta Gamma Sigma Honor Society	2015
Thunderbird Global Mindset Fellowship ($ 40,000)	2014-2015

CONFERENCE DISCUSSIONS

2019: FMA Europe; EFMA; Asian FA; FMA Asia

2018: 26th Spanish Finance Forum; PFMC

CONFERENCE SESSION CHAIRS

2019: 2nd CESC (Financial Economics); EFMA (Capital Structure I)

NON-ACADEMIC EMPLOYMENTS

Internal Auditor, Western Union Global Headquarters	Denver, CO, USA, 2015
Development Specialist, GCU Academy (NGO)	Cape Town, South Africa, 2013

TEACHING AND ADVISING EXPERIENCE

Teaching Assistant – MBA Capital Market Course	IESE Business School, 2018-2019
Finance and Economics Tutor	John E. Jaqua Academic Center, University of Oregon, 2012-2014
Peer Career Advisor for MBA and Master Students	Thunderbird Career Management Center, 2015

PROFESSIONAL QUALIFICATIONS

Chartered Financial Analyst (CFA) - CFA Institute

PERSONAL INFORMATION

Computer Skills: SAS, STATA, MATLAB, LATEX

Languages: English (fluent), Cantonese and Mandarin Chinese (native), Spanish (conversant)

Interests: Varsity and club soccer for 12 years, Chinese martial art specialist

Nationality: Chinese; Birthday: 04/15/1991

REFERENCES

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