

## **QIAO LIU (劉俏)**

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### **PERSONAL**

Born 23 May 1970 in Mianyang, Sichuan, China. Chinese citizen (Hong Kong passport holder)

### **ACADEMIC POSITIONS**

- Professor of Finance and Professor of Economics (by courtesy), Guanghua School of Management, Peking University, January 2011 –
- Associate Professor of Finance (with tenure), University of Hong Kong, March 2009 –
- Research Fellow, Asian Institute of International Financial Law, HKU, July 2002 –

### **EMPLOYMENT HISTORY**

- Asia-Pacific Corporate Finance & Strategy Practice Manager, McKinsey & Company. Dec. 2001 – July 2003.
- Assistant Professor, U. of Hong Kong, Sept. 2000 – Nov. 2001; July 2003 – Dec. 2008.
- Investment banker, China Securities Co., Ltd., 1994.

### **PROFESSIONAL SERVICES**

Editorial Board, *China Finance Review International*, 2006 –

Ad Hoc referee for

*American Economic Review, Economic Journal, Economic Inquiry, Contemporary Accounting Research, China Economic Review, Corporate Governance: An International Review, Economics of Transition, Financial Analysts Journal, Financial Management, International Journal of Industrial Organization, International Review of Finance, Journal of Banking and Finance, Journal of Business Research, Journal of Comparative Economics, Journal of Corporate Finance, Management Science, Managerial Finance, Pacific-Basin Finance Journal, John Wiley (Book review), The Research Grant Council of Hong Kong, The National Science Foundation of China, numerous academic conferences*

External reviewer for tenure application, York University (Canada)

Program committee member, Financial Management Association annual meeting, 2009

### **RESEARCH INTERESTS**

Corporate finance, empirical asset pricing, financial markets, Chinese economy

## EDUCATION

- Ph.D., Department of Economics, University of California, Los Angeles, June 2000.  
Comprehensive Exams: Finance (the Andersen School), Econometrics, IO.  
Thesis: “Essays in empirical finance in high-tech industries”
- M.A. (international finance), Graduate School of People’s Bank of China, Dec. 1993.
- B.S., Economics and Mathematics, People’s (Renmin) University of China, July 1991.

## GRANTS AND AWARDS

- Faculty Outstanding Teacher Award (postgraduate teaching), 2009 – 2010
- GRF Earmarked Competitive Research Grant (HK\$319,125), 2010 – 2012
- HKU Research Grant Merit Award (HK\$ 50,000), 2010 – 2012
- AsianFA – Nippon FA 2008 International Conference *SAAJ* Best Paper Award in Investment (US\$1,000)
- Nominated for 2008 University of Hong Kong Teaching Award, the highest honor at HKU
- Faculty Outstanding Teacher Award (undergraduate teaching), 2007 – 2008
- RGC Earmarked Competitive Research Grant (HK\$815,480), 2007 – 2009
- RGC Earmarked Competitive Research Grant (HK\$281,000), 2006 – 2008
- RGC Earmarked Competitive Research Grant (HK\$ 310,000), 2001 – 2003
- HKU Research Grant Merit Award (HK\$ 50,000), 2007 – 2009
- HKU Research Grant Merit Award (HK\$ 50,000), 2006 – 2008
- HKU Strategic Research Sub-Theme Grant, HK\$333,000, 2005 – 06
- University of Hong Kong Research Initiation Grant (HK\$ 120,000), 2000 – 2002
- HKU Small Research Grant (HK\$58,000), 2004 – 2005
- HKIMR research grant (co-investigator), 2003 – 2004

## PUBLICATIONS

### Books and Monographs (in English)

- “Finance in Asia: institutions, regulation, and policy” (joint with Douglas Arner and Paul Lejot), London – New York: Routledge. Forthcoming in December 2010.
- “Asia’s debt capital markets: prospects and strategies for development” (co-edit with Paul Lejot, Douglas Arner, and Jae-Ha Park), New York: Springer 2006.

### Publications at Peer-Reviewed Journals (in English)

- “Intellectual capital and financing decision: evidence from the US patent data” (with Keith K.P. Wong), 2011, accepted at *Management Science*.
- “Institutions and corporate investment: evidence from an investment-implied return on capital in China” (with Alan Siu), 2011, accepted at *Journal of Financial and Quantitative Analysis*. The paper has been quoted and discussed in the articles “Bamboo Capitalism” “Let Millions of Flowers Bloom” in *The Economist*.
- “Sovereign funds,” *The Encyclopedia of Financial Globalization*, Elsevier, forthcoming.

- “Predict stock market returns with aggregate discretionary accruals” (with Qiang Kang and Rong Qi), *Journal of Accounting Research*, 2010, 48(4), 815-858. Featured and summarized in *The CFA Digest*, 2010, Vol. 40, No. 4 (by Georgeann Portokalis).
- “Information-based stock trading, executive incentives, and the principal-agent problem” (with Qiang Kang), *Management Science*, 2010, 56(4), 682-698.
- “The Sarbanes-Oxley Act and corporate investment: a structural assessment” (with Qiang Kang and Rong Qi), *Journal of Financial Economics*, 2010, 96 (2), 291-305.
- “Competition and corporate tax avoidance: evidence from Chinese industrial firms” (with Hongbin Cai), *The Economic Journal*, 2009, 119 (April), 764-795.
- “Market timing strategy with aggregate accruals” (joint with Qiang Kang and Rong Qi). *Journal of Asset Management*, 2009, 10 (3), 170-180. Featured and summarized in *The CFA Digest*, 2010, Vol. 40, No. 1: 118-120 (by Victoria Rati).
- “Stock market information production and executive incentives” (joint with Qiang Kang), *Journal of Corporate Finance*, 2008. 14, 484-498.
- “Stock trading and diversification discount” (with Rong Qi), *Economics Letters*, 2008, 98(1): 35 – 40.
- “Corporate governance and earnings management in China: a tunneling perspective,” (with Joe Lu), *Journal of Corporate Finance*, 2007, 13: 881 – 906.
- “Do we accept accruals profits at our peril?” (with Rong Qi) 2006, *Financial Analysts Journal*, Volume 62 (4): 62-75.
- “How good is good news? Technology depth, book-to-market ratio, and innovative events,” 2006, *Journal of Accounting, Auditing, and Finance*, Vol. 21(3), 293-321.
- “Missing links: regional reforms for Asian debt capital markets” (with Paul Lejot and Douglas Arner), *Asia Pacific Business Review*, 2006, 12(3):309-332.
- “High stakes in high technology: high-tech market values as options” (with Michael R. Darby and Lynne Zucker), *Economic Inquiry*, lead article, 2004, Vol. 42(3): 351-369.
- “Corporate governance in China: current practices, economic effects, and institutional determinants,” *CESifo Economic Studies*, 2006, 52(2), 415-453.
- “Corporate Governance and Firm valuations in China” (with Chong-En Bai, Joe Lu, Frank Song, Junxi Zhang), 2004, *Journal of Comparative Economics*, lead article, 32(4):599-616. A condensed and non-academic version was published at *Beyond Transition: The Newsletter about Reforming Economies*, Vol. 15, No. 1, 2004, a quarterly publication by World Bank.
- “The parent companies puzzle? when is the whole worth less than one of the parts?” (with Bradford Cornell), *Journal of Corporate Finance*, lead article, 2001, 341-366. Featured and summarized in *The CFA Digest*, 2002, Vol. 32, No. 2: 22-23.

## SELECTED WORKING PAPERS

- “The real effects of S&P 500 additions: evidence from corporate investment” (with Yong Wei), April 2011.
- “The evolution and consequence of Chinese pyramids” (with Ying Zheng and Yuande Zhu), February 2011.
- “How do regulations affect corporate investment? evidence from state anti-takeover laws” (with Qiang Kang), January 2011.
- “Two Accrual Anomalies” (with Qiang Kang and Rong Qi), August 2009.
- “Credit rating changes and CEO incentives” (with Qiang Kang), 2009, working paper. Submitted.
- “The value of corporate control: propping and tunneling evidence from China” (with Chong-En Bai, Frank Song), 2009. Submitted.
- “Information production, cash flow, and corporate investment” (with Rong Qi). This version: July 2007. Under review. This paper has been presented at the 2003 American Finance Association annual meeting in Washington DC.
- “Information and accrual strategy: when does the market mis-price accruals?” (with Rong Qi), this draft, December 2008.

## PUBLISHED BOOK CHAPTERS (IN ENGLISH)

- “Asia's debt capital markets – Contemporary markets for Asian debt capital market instruments” (with Paul Lejot, Douglas Arner), in “*Asia's debt capital markets: prospects and strategies for development*” (co-ed by Paul Lejot, Douglas Arner, Qiao Liu, and Jae-Ha Park), Springer 2006.
- “Making Markets: Policy concerns and the value of regional markets” (with Paul Lejot, Douglas Arner) in “*Asia's debt capital markets: prospects and strategies for development*” (co-ed by Paul Lejot, Douglas Arner, Qiao Liu, and Jae-Ha Park), Springer 2006.
- “Asia's debt capital markets – Introduction” (with Paul Lejot, Douglas Arner, and Jae-Ha Park), in “*Asia's debt capital markets: prospects and strategies for development*” (co-ed by Paul Lejot, Douglas Arner, Qiao Liu, and Jae-Ha Park), Springer 2006.
- “Property rights, collateral and credit rights in east Asia” (with Douglas Arner, Charles Booth, Berry Hsu, Paul Lejot, and Frederik Pretorius), in “*East Asian Finance: the road to robust markets*” (edited by Swati R. Ghosh). Washington DC: World Bank. 2006.

## OTHER PUBLICATIONS (IN CHINESE)

- “Does competition encourage corporate profit hiding”, 2006, *China Journal of Economics*, (经济学报), Vol. 2 (1): 16-46.

- “An empirical analysis of corporate governance in China”, *Journal of Economic Research*, (经济研究), February 2005.
- “Information Production and Corporate Investment” (in Chinese), the *China Finance Journal*, (中国金融学) Vol. 1, 1: 73-98, 2003
- “Earnings management and tunneling” (with Joe Lu), *China Economics Quarterly*, (经济学季刊) Vol. 3, No. 2: 437-456.
- “Market inefficiency and behavioral finance” (in Chinese), 2002, in *Xian Dai Jing Ji Xue Yu Jin Rong Xue Qian Yan Fa Zhan* (现代经济学与金融学前沿发展) edited by Guoqiang Tian (田国强), The Commerce Press, Beijing, PRC (商务印书馆).
- “Are markets efficient?” (in Chinese), *Du Shu* (读书), November Issue, 2001.

## CONFERENCE PRESENTATIONS\DISCUSSION

China International Conference in Finance, 2010

All Five Asian Leading University Joint Conference (presentation), 2010

CUHK-NBER Joint Conference on Capitalizing China, 2009

China International Conference in Finance, 2009

Asia Finance /Financial Management Association Annual Meeting (3 presentations), 2008

China International Conference in Finance (1 presentation + 3 discussions), 2007

American Finance Association Annual Meeting, Boston (presentation), 2006

American Economic Association Annual Meeting, Boston (presentation), 2006

North American Economics and Finance Annual meeting, Boston (presentation), 2006

China Research Conference, Hong Kong (discussion), 2006

China International Conference in Finance (2 presentations + 2 discussions), 2006

European Finance Association Annual Meeting (1 presentation + 1 discussion), 2006

Financial Management Association Annual Meeting (2 presentations), 2006

Financial Intermediation Society Annual Meeting, Shanghai, 2006

International Conference on Corporate Finance in China and Asia, Shanghai, 2006

2006 NTU International Conference in Finance (1 presentation + 2 discussions), 2006

Conference on Understanding the Chinese Economy, CESifo, Munich (presentation), 2005

Corporate finance and governance conference at CityU of Hong Kong (discussion), 2005

Corporate Governance Research Incubator (China), Shanghai (discussion), 2005

European Financial Management annual meeting, Basel (session chair, presenter, discussant), 2004

Financial Management Association annual meeting, New Orleans (presentation), 2004

China International Conference in Finance, Shanghai (session chair, presenter, discussant), 2004

Public Economics Theory Conference (PET04) (presentation), 2004

American Finance Association Annual Meeting, Washington DC (presentation), 2003

Symposium on reform of China's Securities Markets and Banking Sector, 2003

The First China International Conference in Finance, Beijing, 2002

Financial Management Association Annual Meetings, Toronto, 2001

Capital structure conference, Rutgers University, 2001

## SEMINAR PRESENTATIONS

2011: Renmin U., CCER (PKU), Guanghua

2010: Chinese University of Hong Kong  
2009: Shanghai Jiaotong University, Tsinghua University, Guanghua School of Management, the Central University of Finance and Economics  
2008: Shanghai Jiaotong University, Keio University, Hitotsubashi University  
2007: City University of Hong Kong, Beijing University  
2006: Chinese University of Hong Kong, University of Hong Kong  
2005: HKUST, Chinese University of Hong Kong, University of Hong Kong, CCER, Beijing U.  
2004: Guanghua School of Management, Beijing University  
2001: HKUST

### **PRIMARY PHD SUPERVISION (year of graduation and first placement in brackets)**

Tak-Chuen Wong (in progress, HKMA); Yuande Zhu (2009, BBVA; now Morgan Stanley); Jenny W. J. Wu (2007, Morgan Stanley); Wen Xu (2007, a hedge fund in Hong Kong).

### **PRIMARY MPhil SUPERVISION**

Rui Wei (2009); Yong Wei (2010).

### **MEDIA CITATIONS AND INTERVIEWS**

Caijing (Finance and Economics), June 2004, “*Earnings managements to tunnel*”  
Sohu.com; The Oriental Daily, May 2004, “*Private firms in China tend to hide more profits*”  
South China Morning Post, 23/08/2004, “*Bond Markets Leave Asia Vulnerable*”  
The Scotsman, 03/08/2005, “*Warnings of risk to RBS in expected China deal*”  
Interviewed by *Time Magazine* on the Chinese banking IPOs, August 2005  
Interviewed by the *Energy Intelligence* twice on the Chinese oil firms’ M&A strategy, 2005  
Interviewed by CNBC on the Chinese banking sector’s NPLs prospects, October 28, 2005  
Securities Daily, Shanghai Securities Daily, March 31, 2006  
Wall Street Journal, “*Hong Kong Elites Score in IPOs*”, June 2, 2006  
Interviewed by CNBC (Jane Ong) on corporate governance in Chinese banks, Sept. 6, 2006  
Interviewed by CNBC (Maura Fogarty) on Citigroup’s acquisition of GDB, November 17, 2006  
Interviewed by Radio Singapore International on Hong Kong pollution, November 23, 2006  
South China Morning Post, June 16, 2007, “*A billion dollar toolkit*”  
Interviewed by BBC World Service on China’s inflation pressure, December 13, 2007  
Interviewed by China Daily on stock market and Fengsui, January 2008  
Interviewed by Economic Herald on the impact of Subprime crisis on Chinese economy, Jan. 2008  
Interviewed by CFO Magazine (Asia) on Chinese firms’ M&A strategies, March 2008  
Interviewed by Financial Times on Hong Kong’s RMB and re-pegging of HK dollars, April 08  
Interviewed by Phoenix TV on the Chinese economy, Nov. 08  
Wall Street Journal, Feb. 10, 09, “*Investors Look to Feng Shui for Guidance*”  
Interviewed by Euromoney (Chris Wright) on Chinese firms’ corporate governance, May 4, 09  
Interviewed by Economic Herald on the impact of the global credit markets crisis, May 2009  
Interviewed by Hong Kong Commercial Daily on financial centers, etc., April, June, August, October, November, 2010  
Interviewed by VOA (Xu, Bo) on the acquisition of ASX by SGX, 10/26/2010  
Interviewed by AFP on Hong Kong being #1 IPO market for two consecutive years, 12/13/2010  
The Economist, “*Bamboo Capitalism*” “*Let Millions of Flowers Bloom*”, March 2011

## OTHER PROFESSIONAL ACTIVITIES

- Presentation at the 2002 Beijing International Financial and Accounting Management Summit (on behalf of McKinsey), Topic “*M&A in China*”, July 2002, Beijing.
- The First Asia Corporate Finance Forum (on behalf of McKinsey), Nov. 2002, Shanghai
- The Second China Securities Fundamental Analysis and Rational Investment Symposium, *Leverage capital market information to analyze listed companies*, Shenzhen, Aug. 2003
- The First Asian Bond Market Forum (organized by Asia Institute of International Financial Law and Milken Institute), Panelist of SMEs Finance Session, Nov. 2003
- Asian Securitization Summit, June 17-18, 2004, The Conrad, Hong Kong.
- Member of the Expert Panel at Shenzhen Stock Exchange, 2005, 2006, 2007
- Siemens, Consultant on China strategies, 2006
- Minsheng Bank, Consultant on banking strategies, and valuation, 2004, 2005, 2006
- The HKU Global Alumni Convention, Shanghai 2006, invited speaker
- LSE Business Society, 2007, invited speaker, topic: *Future of China: Banking and Finance*
- Valuation in M&A, Construction Bank of China, June 16, 2007, Hong Kong
- A generic corporate governance framework Citicorp, NXGEN Conference, July 13, 2007,
- China M&A, Construction Bank of China, March 14, 2008, Hong Kong
- Investment Banking Business in China, Construction Bank of China, May 21, 2008, HK
- Valuation in the context of M&A, Minsheng Bank, January 10, 2010, Kunming
- Bank operations and risk management, Standard Chartered Bank China Executive Training, June 22, 2010, Shanghai

## TEACHING

### At HKU

- MBA/MFinance: Mergers and Acquisitions, Advanced Corporate Finance, Managerial Finance II
- Undergraduate: Case Studies in Corporate Finance, Theory of Corporate Finance, Current Asian Finance, International Financial Management, Introduction to Finance, Economic Data Analysis.

### At Peking U

MBA (Guanghua): Corporate Finance I, Corporate Finance II  
MFinance (CCER): Mergers and Acquisitions

### Executive trainings

Valuation, M&A in China, Asian Corporate Governance, Bank Valuation, Asian Finance, Investment banking, risk management

## CONSULTING

**Clients** (not including McKinsey clients): Minsheng Bank, ICBC, Construction Bank of China, UT- Starcom, Alcatel, Shenzhen Stock Exchange, Siemens, Chongqing Municipal Government, Citigroup, 21Golf, Stralem & Company, SCB, PetroChina, China Resources

**LANGUAGES**

Chinese (mother tongue), English (fluent), Cantonese (struggling)

**HOBBIES**

History, Movies, Jazz especially bebop and cool Jazz, Golf, Lakers, UCLA Bruins