

# CHU ZHANG

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## Education

Ph.D (finance), 1992, University of Chicago, Chicago, U.S.A.  
M.B.A.(finance), 1988, University of Chicago, Chicago, U.S.A.  
M.S.(quantitative economics), 1984, Fudan University, Shanghai, China.  
B.S.(mathematics), 1982, East-China Normal University, Shanghai, China.

## Academic Employment

1997-present. Assistant professor (1997-1999), associate professor with tenure (2000-2010), full professor (2010-2021) and chair professor (2021-present), School of Business and Management, The Hong Kong University of Science and Technology, Hong Kong.  
1991–2000. Assistant professor (1991-1998) and associate professor with tenure (1998-2000), Faculty of Business, University of Alberta, Canada.  
1984–1985. Lecturer, School of Management, Fudan University, Shanghai, China.

## Academic Awards and Distinctions

Global Chinese Real Estate Congress (GCREC) 2013 Conference, Third prize for best papers (with H. Wang and W. Dai).  
China International Conference in Finance 2006 Best Paper Award, (with L. Fan)  
Financial Management Association Competitive Paper Award, 1996 (with J. He and L. Ng).

## Research Interests

Asset pricing theories and empirical studies.  
Financial markets and institutions in China and Japan.

## Professional Activities

### Ad hoc referee:

Journal of Finance  
Review of Financial Studies  
Journal of Financial Economics  
Journal of Financial and Quantitative Analysis  
Journal of Business  
Management Science  
Journal of Empirical Finance  
Journal of Econometrics  
Journal of Financial Econometrics  
Journal of Banking and Finance  
Econometric Reviews  
European Financial Management  
Finance and Stochastics  
International Review of Finance  
Hong Kong University Grants Committee  
Australian Research Council (ARC)  
City University of Hong Kong, Grants Committee

**Associate editor:** International Review of Finance, 2013–2018.

## Publications

- Zhang, C., 2024, Testing pricing errors of models with latent factors and firm characteristics as covariances, *Management Science*, 70, 1706-1728.
- Zhang, C. and Zhao, S., 2023, The macroeconomic announcement premium and information environment, *Journal of Monetary Economics*, 139, 55-73.
- Sun, C., Wang, S. and Zhang, C., 2021, Corporate payout policy and credit risk: evidence from CDS markets, *Management Science*, 67, 5755-5775.
- Wang, Z. and Zhang, C., 2021, Why did the investment-cash flow sensitivity decline over time? *Journal of Financial and Quantitative Analysis*, 56, 2272-2308.
- Yang, Y.C., Zhang, B. and Zhang, C., 2020, Is information risk priced? evidence from abnormal idiosyncratic volatility, *Journal of Financial Economics*, 135, 528-554.
- Li, G and Zhang, C., 2019, Counterparty Credit Risk and Derivatives Pricing, *Journal of Financial Economics*, 134, 647-668.
- Li, G. and Zhang, C., 2016, On the relationship between conditional jump intensity and diffusive volatility, *Journal of Empirical Finance*, 37, 196-213.
- Li, G. and Zhang, C., 2013, Diagnosing affine models of options pricing: Evidence from VIX, *Journal of Financial Economics*, 107, 199-219.

- Fan, L., Tian, S., and Zhang, C., 2012, Why are excess returns on China's Treasury bonds so predictable? The role of the monetary system, *Journal of Banking and Finance*, 36, 239-248.
- Fan, L., Yu, Y. and Zhang, C., 2011, An empirical evaluation of China's monetary policies, *Journal of Macroeconomics*, 33, 358-371.
- Li, G. and Zhang, C., 2011, Why are derivative warrants more expensive than options? an empirical study, *Journal of Financial and Quantitative Analysis*, 46, 275-297.
- Li, G. and Zhang, C., 2010, On the number of state variables in options pricing, *Management Science*, 55, 2058-2075.
- Zhang, C., 2010, A re-examination of the causes of time-varying stock return volatilities, *Journal of Financial and Quantitative Analysis*, 45, 663-684.
- Xu, M. and Zhang, C., 2009, Bankruptcy prediction: the case of Japanese listed companies, *Review of Accounting Studies*, 14, 534-558.
- Zhang, C., 2009, Testing the APT with the maximum Sharpe ratio of extracted factors, *Management Science*, 55, 1255-1266.
- Zhang, C., 2009, On the explanatory power of firm-specific variables in cross-sections of expected returns, *Journal of Empirical Finance*, 16, 306-317.
- Fan, L. and Zhang, C., 2007, Beyond segmentation: The case of China's repo markets, *Journal of Banking and Finance*, 31, 939-954.
- Fan, L. and Zhang, C., 2006, The Chinese interbank repo market: an analysis of term premiums, *Journal of Futures Markets*, 26, 153-167.
- Wei, S.X. and Zhang, C., 2006, Why did individual stocks become more volatile? *Journal of Business*, 79, 259-292.
- Wei, S.X. and Zhang, C., 2005, Idiosyncratic risk does not matter: A re-examination of the relationship between average returns and average volatilities, *Journal of Banking and Finance*, 29, 603-621.
- Xu, M. and Zhang, C., 2004, The explanatory power of R&D for the cross-section of stock returns: Japan 1985-2000, *Pacific-Basin Finance Journal*, 12, 245-269.
- Wei, S.X. and Zhang, C., 2003, Statistical and economic significance of stock return predictability: A mean-variance analysis, *Journal of Multinational Financial Management*, 13, 443-463.
- He, J., Ng, L. and Zhang, C., 1999, Asset pricing specification errors and performance evaluation, *European Finance Review*, renamed *Review of Finance*, 3, 205-232.
- Kan, R. and Zhang, C., 1999, GMM tests of stochastic discount factor models with useless factors, *Journal of Financial Economics*, 54, 103-127. Reprinted in *Essays in Modern Economics Research: A Volume in Honour of Professor Gregory Chow*, Shanghai People's Publishing House and Truth & Wisdom Press, 2008.

- Mehrotra, V., Yu, W. and Zhang, C., 1999, Market reactions to the Financial Post's "Hot Stock" column, *Canadian Journal of Administrative Science*, 16, 118-131.
- Kan, R. and Zhang, C., 1999, Two-pass tests of asset pricing models with useless factors, *Journal of Finance*, 54, 203-235. Nominated for Smith Breeden Prize. Reprinted in *Asset Pricing Theory and Tests, II, the International Library of Critical Writings in Financial Economics*, edited by Robert R. Grauer.
- He, J., Kan, R., Ng, L. and Zhang, C., 1996, Tests of relations among marketwide factors, firm-specific variables and stock returns using a conditional asset pricing model, *Journal of Finance*, 51, 1891-1908,
- Wen, J. and Zhang, C., 1993, Investment under risk in property rights, *China Economic Review*, 4, 49-53.