

# Tong Yao

**Professor of Finance  
Tippie College of Business  
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## **ACADEMIC DEGREES**

- PhD in Finance, Boston College, Chestnut Hill, MA, 2001
- BA in International Economics, Fudan University, Shanghai, China, 1991

## **EMPLOYMENT**

- Tippie College of Business, University of Iowa  
Keith Cook Professor of Finance, 2024-present  
Henry B. Tippie Research Fellow, 2013-2024  
Professor, 2020-present  
Associate Professor, 2013-2020  
Assistant Professor, 2008-2013
- U.S. Securities and Exchange Commission, Washington, DC  
Visiting Financial Economist, 2018-2019
- Eller College of Management, University of Arizona  
Assistant professor, 2001-2008
- Bank of Communications, Head Office, Shanghai  
Credit analyst, 1991-1994

## **RESEARCH PUBLICATIONS**

1. Do Firms Get High? The Impact of Marijuana Legalization on Corporate Performance, Innovation and Entrepreneurial Activity, 2026, with Shagun Pant and Jue Wang, *Financial Management*, forthcoming.
2. Liquidity Characteristics of Market Anomalies and Institutional Trading, 2026, with Charles Cao, Bing Liang, and Andrew Zhang, *Journal of Financial Economics* 179, 104254.
3. The Evolving Liquidity Premium in A Retail Driven Corporate Bond Market, 2026, with Ziyang Sun and Ninghua Zhong, *China Finance Review* 16, 1-35.

4. The Impact of Capping the SALT Deduction on Municipal Bond Pricing, 2025, with Alan Reinstein, Mikhail Pevzner, and Matthew Wynter, *Journal of Accounting and Public Policy* 51, 107312.
5. Investment Policies and Risk Sharing by Corporate Pensions, 2024, with Wei Li and Jie Ying, *Journal of Economic and Dynamic Control* 165, 104891.
6. Capital Mobility and the Long-run Return-Risk Trade-offs of Industry Portfolios, 2023, with Jia Chen and Xin Xu, *Journal of Empirical Finance* 70, 123-143.
7. The Effects of Investor Service Costs on Mutual Fund Performance, 2023, with George Jiang, and Gulnara R. Zaynutdinova, *Financial Review* 58 (1), 91-115.
8. In Search of Habitat, 2023, with Jane Chen, Zhenzhen Sun, and Tong Yu, *Review of Asset Pricing Studies* 13 (2), 266-306.
9. Confirmation Bias in Analysts' Response to Consensus Forecasts, 2022, with Huan Cai and Xiaodi Zhang, *Journal of Behavioral Finance* 25 (3), 334-355.
10. The Alphas of Beta and Idiosyncratic Volatility, 2022, with Percy Poon and Andrew Zhang, *Journal of Financial Markets* 61, 100720.
11. Heterogenous Turnover-Performance Relations, 2021, with Ke Shen and Lin Tong, *Journal of Banking and Finance* 124, 106054.
12. Dissecting the Idiosyncratic Volatility Anomaly, 2020, with Linda Chen, George Jiang, and Danielle Xu, *Journal of Empirical Finance* 59, 193-209.
13. Does Operating Risk Affect Portfolio Risk? Evidence from Insurers' Securities Holding, 2020, with Xuanjuan Chen, Zhenzhen Sun, and Tong Yu, *Journal of Corporate Finance* 62, 101579.
14. Can Mutual Funds Profit from Post Earnings Announcement Drift? The Role of Competition, 2020, with Ashiq Ali, Xuanjuan Chen, and Tong Yu, *Journal of Banking and Finance* 114, 105774.
15. Liquidity Premium in the Eye of Beholders: An Analysis of the Clientele Effect in the Corporate Bond Market, 2020, with Xuanjuan Chen, Jing-Zhi Huang, Zhenzhen Sun, and Tong Yu, *Management Science*, 66 (2), 932-957
16. Corporate Disclosure, Analyst Forecast Dispersion, and Stock Returns, 2019, with Ashiq Ali, Mark Liu, and Danielle Xu, *Journal of Accounting, Auditing, and Finance* 34 (1), 54-73
17. Holdings Markup and Mutual Fund Family Strategy: Evidence from China, 2018, with Jiajun Jiang, Yin Yu, and Zheng Zhang, *(Chinese) Journal of Financial Research*, 455 (5), 154-171
18. R&D Spillover and Predictable Stock Returns, 2016, with Yi Jiang and Yiming Qian. *Review of Finance* 20 (5), 1769-1797
19. Uncommon Value: The Characteristics and Investment Performance of Contrarian Funds, 2015, with Kelsey Wei and Russ Wermers, *Management Science* 61 (10), 2394-1414
20. Learning and Incentives: A Study Based on Analyst Response to Pension Underfunding, 2014, with Jane Chen, Tong Yu, and Jeffery Zhang, *Journal of Banking and Finance* 45, 26-42
21. Mutual Fund Skills and the Performance of Corporate Acquirers, 2013, with Amrita Nain, *Journal of Financial Economics* 110 (2), 437-456

22. The Asset Growth Effect: Insights from International Stock Markets, 2013, with Akiko Watanabe, Yan Xu, and Tong Yu, *Journal of Financial Economics* 108 (2), 529-563
23. Stock Price Jumps and Cross-sectional Return Predictability, 2013, with George Jiang, *Journal of Quantitative and Financial Analysis* 48 (5), 1519-1544
24. Forecasting Stock Returns Through an Efficient Aggregation of Mutual Fund Holdings, 2012, with Russ Wermers and Jane Zhao, *Review of Financial Studies* 25 (12), 3490-3529
25. Asset Growth and Stock Returns: Evidence from Asian Financial Markets , 2011, with Shaw Chen, Tong Yu, and Jeffery Zhang, *Pacific Basin Finance Journal* 19 (1), 115-139
26. On the Predictability of Chinese Stock Returns, 2010, with Xuanjuan Chen, Ken Kim, and Tong Yu, *Pacific Basin Finance Journal* 18 (4), 403-425
27. The Information Content of Idiosyncratic Volatility, 2009, with George Jiang and Danielle Xu, *Journal of Financial and Quantitative Analysis* 44 (1), 1-28
28. Do Mutual Funds Profit from the Accruals Anomaly? 2008, with Ashiq Ali, Xuanjuan Chen, and Tong Yu, *Journal of Accounting Research* 46 (1), 1-26
29. Dynamic Factors and the Source of Momentum Profits, 2008, *Journal of Business and Economic Statistics* 26 (2), 211-226
30. Do Mutual Funds Time the Market? Evidence from Portfolio Holdings, 2007, with George Jiang and Tong Yu, *Journal of Financial Economics* 86 (3), 724-758
31. Prudent Man or Agency Problem? On the Performance of Insurance Mutual Funds, 2007, with Xuanjuan Chen and Tong Yu, *Journal of Financial Intermediation* 16 (2), 175-203
32. Testing Heterogeneous-agent Kernels: An Alternative Aggregation Approach, 2007, with Pierluigi Balduzzi, *Journal of Monetary Economics* 54 (2), 369-412

### **BOOK CHAPTERS**

- Against the “Wisdom of Crowds”: The Investment Performance of Contrarian Funds, 2017, with Kelsey Wei and Russ Wermers. In “Portfolio Construction, Measurement, and Efficiency: Essays in Honor of Jack Treynor”, Springer.

### **WORKING PAPERS**

- Labor Shocks and Local Economics: The Cost of ICE Enforcement Actions, with Wei Li, Erik Lie, and Jasmine Shu
- Equity Premium and Risk-free Rate: Insights from a Dynamic Quantile Preference Model, with Luciano de Castro and Antonio Galvao
- Fundamental Volatility, with Hsiang-hung Tien and Xiaoyan Zhang
- Costly Information Production, Information Intensity, and Mutual Fund Performance, with George Jiang, Ke Shen, and Russ Wermers

### **AWARDS AND GRANTS**

- Research grant, INQUIRE Europe, 2025
- Best Paper Award, Financial Review, 2023
- Research Impact Award, Tippie College of Business, University of Iowa, 2022
- Henry B. Tippie Research Fellow, University of Iowa, 2013-2024
- Best Paper Award, China International Risk Forum, 2019
- Co-investigator, Research Grant Council of Hong Kong, 2013, 2014
- Crowell Award, 3<sup>rd</sup> Prize, PanAgora Asset Management, 2012
- Old Gold Fellowship, University of Iowa, 2008
- INQUIRE Europe Annual Research Award, First Prize, 2007
- Outstanding Paper Award, International Conference on Asia-Pacific Financial Markets, 2007
- Research grant, INQUIRE UK, 2007
- Research data grant, National Association of Insurance Commissioners, 2007
- Research grant, Q-Group, 2006
- Research grant, BSI Gamma Foundation, 2006
- Best Paper Award, Geneva Association and International Insurance Society joint conference, 2006
- Research grant, INQUIRE UK, 2006
- Research grant, INQUIRE Europe, 2005
- Best Paper Award, International Insurance Society, 2004
- Distinguished Paper Award, Decision Science Institute, 2004
- Academic Paper Competition, 3<sup>rd</sup> Prize, Chicago Quantitative Alliance, 2002
- Crowell Award, Finalist, PanAgora Asset Management, 2001

### **CONFERENCE PRESENTATIONS AND SEMINARS**

(including conference presentations by coauthors)

- 2025: China International Conference in Finance (CICF), Silicon Prairie Finance Conference, Northern Finance Association (NFA), Financial Management Association (FMA)
- 2024: Dynamics Economics Mini Conference at Iowa, Risk Theory Society, Fudan University, Tongji University
- 2023: CICF
- 2022: World Symposium of Investment Research, Iowa
- 2020: China International Risk Forum (CIRF), FMA, Iowa, Iowa State, Connecticut, Wisconsin Milwaukee
- 2019: Midwest Finance Association (MFA), Georgetown, Virginia, SEC, Nanjing University, Missouri, FMA, CIRF, International Risk Management Conference by the Risk Society (IRMC)
- 2018: American Finance Association (AFA), 3<sup>rd</sup> PKU-NUS International Conference on Quantitative Finance and Economics, MFA, JCF Special Issue Conference at Hong Kong Polytech, Lehigh, SEC, Tongji University, Shanghai Jiaotong University, Fordham, Louisiana State, George Mason
- 2017: Magnolia Finance Conference at Mississippi State, Asset Management Conference at Peking University, CICF, Iowa State, Fudan University

- 2016: CICF, Financial Management Association (FMA), Singapore Management University, Hong Kong Polytechnic, Fudan University, Nanjing University
- 2015: AFA, CICF, European Finance Association (EFA), University of New South Wales, University of Technology Sydney, University of Sydney, China Investment Corporation, Concordia
- 2014: AFA, Financial Intermediation Research Society (FIRS), FMA, Tsinghua PBC School of Finance, Peking University, Nanjing University, China Investment Corporation, Iowa
- 2013: Midwest Finance Association (MFA), SFS Finance Cavalcade, City University of Hong Kong, Nanjing University, Shanghai University of Finance and Economics, Iowa, CICF, Boston Area Finance Symposium
- 2012: PanAgora Asset Management, FIRS, Summer Institute of Finance, CICF, EFA, FMA, Iowa, Northern Illinois (Econ), Texas A&M
- 2011: Risk Theory Society, SFS Finance Cavalcade, C.R.E.D.I.T., EFA, FMA, Shanghai Advanced Institute of Finance (SAIF), Cal State Fullerton, Central Florida
- 2010: American Risk and Insurance Association (ARIA), Derivatives Securities and Risk Management Conference, CICF, Nippon Finance Association, Western Risk and Insurance Association (WRIA), FMA
- 2009: Erasmus RSM Professional Asset Management Conference, 2<sup>nd</sup> Emerging Market Conference at Cass School of Business, FIRS, Western Finance Association (WFA), AIG-Huatai Asset Management, CICF, BGI, FMA, Iowa
- 2008: Hong Kong Polytechnic University Accounting Symposium, LBS Accounting Symposium, Arizona Finance Retreat, American Accounting Association FARS, FIRS, WFA, FMA, Iowa, Brandeis
- 2007: AFA, INQUIRE UK/Europe Joint conference, CICF, University of Amsterdam 3<sup>rd</sup> Annual Empirical Asset Pricing Retreat, FMA, 2<sup>nd</sup> International Conference on Asia-Pacific Market, Kentucky, UT Dallas
- 2006: Wharton Conference on The Frontiers of Investing, Northern Finance Association (NFA), American Accounting Association (AAA), BSI Gamma Foundation, ARIA, Geneva Association/International Insurance Society Joint Meetings
- 2005: AFA, FMA, Arizona
- 2004: WRIA, CICF, ARIA, EFA, International Insurance Society, Decision Science Institute, AAA, FMA, Arizona
- 2003: EFA, FMA
- 2002: Chicago Quantitative Alliance, Arizona, Florida International (Econ)
- 2001: AFA, WFA, Risk MathWeek, Financial Management Association, PanAgora Asset Management, USC, UT Austin, Arizona
- 2000: Chinese Finance Association, FMA