

XIAO ZHAO

Lee Shau Kee Building, Clear Water Bay, NT, Hong Kong
(852) 9143-0583 ◊ xzhaoas@connect.ust.hk ◊ [Personal Website](#)

EDUCATION

Hong Kong University of Science and Technology	2018-
PhD candidate in Finance	
Hong Kong University of Science and Technology	2016-2017
M.Sc. in Economics	
Renmin University of China	2010-2014
Bachelor of Management	
Exchange Student at University of California, Davis	Sep. 2012- Jun. 2013

RESEARCH INTERESTS

Empirical Corporate Finance, Global Supply Chains, Sustainable Finance

RESEARCH

Job Market Paper

[Collateral Values and Global Production Networks](#)

Presented at 2nd Durham Conference for Finance Job Market Papers (scheduled), European Winter Finance Conference 2024, AFA 2024 Poster Session, Asia-Pacific Corporate Finance Online Workshop (ACFOW), the 2023 Baltic Economic Conference, HKUST Finance Brownbag and the 2023 HKUST PhD Conference.

Abstract: Firms are interconnected through global production networks. In this study, I investigate how firms' collateral value changes affect their supply chain linkages. I use a plausibly exogenous shock to the real estate market in China, which reduced the value of firms' real estate holdings, and find an 11.1% reduction in exports to trade partners in the US. Financially constrained firms affected by the shock respond by increasing product prices, potentially compromising long-term customer relationships. Connected U.S. customers reallocate their imports to alternative suppliers, inducing a shift to the global production network structure. My findings highlight the role of collateral in transmitting shocks along the supply chain. Fluctuations in the value of collateral, interacting with financial frictions, drive adjustments in trade partnerships.

Working Papers

[Smokestacks and the Swamp](#) with Emilio Bisetti, Stefan Lewellen, and Arkodipta Sarkar

NSE Best Paper Award, at Summer Research Conference (Indian School of Business), 2022

Presented at the 2023 FIRS conference, the 2022 University of Washington Summer Finance Conference, the 2022 ISB Summer Research Conference, the 2022 CICF, the 2022 ABFER Annual Conference, the 2022 MFA Meetings, the 2022 Finance Down Under Conference, Florida State University, the University of Mannheim, the University of Bonn, 2nd London POLFIN Workshop, the 2021 CFEA Meetings, the 2021 Paris December Finance Meetings, the 2021 Transatlantic Doctoral Conference, the Penn State Energy & Environmental Economics Workshop, the Penn State Finance Advisory Board, the Singapore Scholars Symposium, and more

Abstract: We examine how politicians' environmental preferences shape firms' emissions decisions and financial outcomes. Using a regression discontinuity design involving close U.S. congressional elections, we show that plants decrease their emissions and invest more in abatement following close wins by Democratic, pro-environment representatives. Firms reallocate emissions away from Democratic areas, but reallocation is imperfect and total costs increase when firms' representation is more Democratic. Pollution-related illnesses decrease around plants in Democratic districts, suggesting that firms' pass-through of politicians' ideologies can have effects on local communities. Our results highlight politicians as influential stakeholders in firms' environmental decisions.

Work in Progress

Ports and Profits with Emilio Bisetti, Stefan Lewellen, and Arkodipta Sarkar

TEACHING

School of Business and Management - Teaching Assistant Coordinator	<i>2023-2024</i>
MSc - Green Finance and Capital Markets - Teaching Assistant	<i>Spring 2023</i>
MSc - Fintech Analytics - Teaching Assistant	<i>Fall 2021 & 2022</i>
UG - Mergers, Acquisitions & Corporate Restructurings - Teaching Assistant	<i>Spring 2021 & 2022</i>
MBA - Quantitative Portfolio Management - Teaching Assistant	<i>Fall 2020</i>
MBA - Financial Modeling - Teaching Assistant	<i>Spring 2020</i>

AWARDS

AFA Travel Grant	<i>2024</i>
Dean's PhD Fellowship for Research Excellence at HKUST	<i>2022-2023</i>
RedBird Academic Excellence Awards at HKUST	<i>2021-2022</i>
Academic Award at University of California, Davis	<i>2013</i>
School Scholarship Awards at Renmin University of China	<i>2012</i>

ACADEMIC ACTIVITIES

Presentations

- AFA 2024 Poster Session (scheduled), Asia-Pacific Corporate Finance Online Workshop, The 2023 Baltic Economic Conference, Copenhagen Money in Politics Conference, the 2023 HKUST PhD Conference, the 2022 China International Conference in Finance, the 2022 International Symposium on Energy and Finance Issues, and the 2021 Trans-Atlantic Doctoral Conference.

Discussions

- Nova Finance PhD Final Countdown 2023, the 2023 Baltic Economic Conference, and the 2021 Trans-Atlantic Doctoral Conference.

Research Assistant

- Professor Kasper Nielsen *2017-2018*

NON-ACADEMIC EXPERIENCE

Teach for China Teaching Fellow	<i>2015-2016</i> <i>Yunnan, China</i>
Ernst & Young Auditor	<i>2014-2015</i> <i>Beijing, China</i>