Rose C. Liao

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EDUCATION

The Ohio State University – Fisher College of Business *Columbus, OH*
Ph.D. in Finance, expected 2009

University of Manitoba – Asper School of Business *Winnipeg, MB*
Ph.D. program in Finance, 2002 – 2004

Shandong Institute of Economics *Shandong, China*
B.S. in Economics, July 2002

RESEARCH INTERESTS

Corporate Finance, International Finance, Fixed Income Securities

PUBLICATIONS AND WORKING PAPERS

"Corporate Block Acquisitions around the World" **(Job market paper)**

Between 1990 and 2005, 14 percent of the world's public firms were targets in minority block acquisitions, of which one third were cross-border. These target firms are mostly financially constrained, experience significant increases in their stock prices at the announcement and increase their investment expenditures subsequent to the acquisition. In the immediate two years following the acquisition, 27 percent of target firms issue new equity and 10 percent issue new debt. The size of these new issues is between 23 and 27 percent of the target firms' market capitalization. These findings are consistent with the theory that equity stakes by other corporations certify the investment opportunities of target firms and allow them to raise additional capital. There is little evidence in support of competing theories that corporate blockowners lower contracting costs in the product market, effectively monitor insiders or capitalize on their overvalued stocks.

"Testing for the Elasticity of Corporate Yield Spread" (with Gady Jacoby and Jonathan Batten), *Journal of Financial and Quantitative Analysis*, forthcoming.

What drives the compensation demanded by investors in risky bonds? Longstaff and Schwartz (1995) predict one key factor is the time-varying negative correlation between interest rates and the yield spreads on corporate bonds. However, the effects of callability and taxes also need to be considered in empirical analyses. Canadian bonds have no tax effects, yet, after controlling for callability, the correlation between riskless interest rates and corporate bond spreads remains negligible. Our results provide support for reduced-form models that explicitly define a default hazard process and untie the relation between the firm's asset value and default probability.

WORK-IN-PROGRESS

"**Are Sovereign Acquirers Different in Cross-border Mergers and Acquisitions?**" (with Andrew Karolyi)

"**World Markets for Mergers and Acquisitions**" (with Isil Erel and Mike Weisbach)

SERVICE

Ad Hoc Referee for: Journal of Empirical Finance, The Review of Financial Studies

PRESENTATIONS

"Corporate Block Acquisitions around the World"

- Steve Buser Seminar Series at the Fisher College of Business, October 2008

"Testing for the Elasticity of Corporate Yield Spread"

- 5th Infiniti Conference on International Finance, Trinity College Dublin, June 2007 (presented by co-author)
- EFMA, Vienna, Austria, June 2007 (presented by co-author)
- Bank of Canada workshop on Fixed Income Securities, Montréal, Canada, November 2004

TEACHING/RESEARCH EXPERIENCE

Instructor, Finance Department, The Ohio State University
Business Finance 721: Corporate Finance (Rating: 4.6/5.0), Summer 2007

Research Assistant, Finance Department, The Ohio State University
René M. Stulz, Summer 2007 – Current
Rüdiger Fahlenbrach, Autumn 2006 – Spring 2007
David Hirshleifer, Autumn 2004 – Summer 2006

Research Assistant, Accounting and Finance Department, University of Manitoba
Gady Jacoby, 2002 – 2004

Teaching Assistant, Finance Department, The Ohio State University
Business Finance 620: Business and Finance, Summer 2005 and Winter 2006

AWARDS

Student Travel Award, American Finance Association (AFA), 2007
CIBER Global Competition Award ($5,000), 2006
CGEBA Travel Award, Fisher College of Business, 2004
University of Manitoba Graduate Fellowship for academic merit, 2004
McGiverin Fellowship for academic merit, 2003
Canadian Credit Management Fellowship for academic performance, 2002
Academic Merit Award, Shandong Institute of Economics, 1998 – 2002

REFERENCES

G. Andrew Karolyi (chair)
Charles R. Webb Professor of Finance, Department of Finance, The Ohio State University
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Isil Erel
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