Daisy Wang

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EDUCATION

Ohio State University   Columbus, OH
Ph.D. in Finance   *Aug. 2019 to now*

The Chinese University of Hong Kong   Hong Kong
M.Phil. in Finance   *Aug. 2016 to Aug. 2018*

The University of Hong Kong   Hong Kong
Bachelor in Economics and Finance (First Honour Class)   *Sept. 2012 to May 2016*

University of Paris (Dauphine)   Paris
Exchange Study   *Sept. 2014 to Dec. 2014*

WORKING PAPER

- **Credit Rating and Corporate Disclosure: Evidence from Sovereign Credit Downgrades**
  with Wensi Xie, ***JFQA Forthcoming***
  "Exploiting exogenous variations in corporate ratings due to sovereign credit downgrades and sovereign ceiling policies, we assess how firms respond to a reduction in credit ratings. We find that firms bounded by the sovereign ceiling significantly increase information production in response to a sovereign downgrade. The effects are stronger for firms relying more heavily on external finance and operating in a more opaque environment. Enhanced information production, in turn, affects firms' subsequent access to bond markets. These findings suggest that firms actively manage information environments to maintain access to public debt markets."

- **Mergers Under the Microscope: Analysing Conference Call Transcripts**
  with Sudipto Dasgupta, Jarrad Harford, Fangyuan Ma and Haojun Xie
  "Many M&A deal announcements are accompanied with a conference call to discuss deal details and address market participants' demand for information. We find that calls are associated with positive market reactions and a higher likelihood of deal completion. Using a topic modelling approach, we uncover 20 highly interpretable topics from the call transcripts. Market reactions are more (less) positive when the call communicates more "hard" ("soft") information, revealing different disclosure strategies depending on deal quality. Governance-related issues, although not significantly correlated with stock returns, are prominently discussed and related to the latent motivation for holding calls."

- **Specialized Investments and Firms' Boundaries: Evidence from Textual Analysis of Patents**
  with Jan Bena, Isil Erel and Michael Weisbach
  "Inducing firms to make specialized investments through bilateral contracts can be challenging because of potential hold-up problems. Such contracting difficulties have long been argued to be an important reason for acquisitions. To evaluate the extent to which this motivation leads to mergers, we perform a textual analysis of the patents filed by the same lead inventors of the target firms before and after the mergers. We find that patents of inventors from target firms become 28.9% to 46.8% more specific to those of acquirers' inventors following completed mergers, benchmarked against patents filed by targets and a group of counterfactual acquirers. This pattern is stronger for vertical mergers that are likely to require specialized investments. There is no change in the specificity of patents for mergers that are announced but not consummated. Overall, we provide empirical evidence that contracting issues in motivating specialized investment can be a motive for acquisitions."

- **Reallocation of Innovative Labor and the Theory of the Firm**
  "Using a novel textual-based method and patent data, I document the way in which the emergence of technological breakthroughs affects the inventor flows and the boundaries of the firm. The years leading to the breakthroughs are associated with a higher labor turnover of inventors with skills related to the breakthroughs. These inventors depart from low asset complementarity employers to join firms with higher asset complementarity, consistent with the theory of the firm prediction in incentivizing optimal innovation. In the years following the breakthroughs, inventors with relevant skills are more likely to be hired and retained by firms with low asset complementarity. Firms with higher proportion of relevant inventors are more likely to be acquired after the breakthroughs, consistent with the diffusion of breakthrough technology to end-users to realize the commercial value."

RESEARCH AND TEACHING EXPERIENCES

Research Assistant, for Prof. Sudipto Dasgupta, Chinese University of Hong Kong, Sept.2018 - June 2019
Research Assistant, for Prof. Wensi Xie, Chinese University of Hong Kong, Aug.2016 - June 2019
Research Assistant, for Prof. Shaojun Zhang, The University of Hong Kong, Sept.2015 - May 2016
Research Assistant, for Prof. Chen Lin, The University of Hong Kong, Aug.2015 - Oct.2016
Lecturer, independent, Ohio State University (SEI 4.70 out of 5.0), May 2022 - Aug.2022