
Department of Economics, University of Washington
Savery Hall 305, Box 353330, Seattle , WA 98195-3330
wjh5@uw.edu +1-206-619-1581

EDUCATION

Ph.D. in Economics, University of Washington, Seattle, WA (expected 2017/6)
M.A. in Economics, National Taiwan University, Taipei, Taiwan, 2006/6
B.A. in Public Finance (major), National Chengchi University, Taipei, Taiwan, 2004/6
in Management Information Systems (minor)

RESEARCH FIELD

Primary: Financial Economics
Secondary: Time series econometrics, Empirical Macroeconomics, Applied Econometrics

DISSERTATION

Title: “Essays on predicting states of the stock market and the economy”

WORKING PAPER

“Predicting and Capitalizing on Two Types of Stock Bear Markets in the U.S.” (*Job Market Paper*),
under review

WORK IN PROGRESS

“Predicting Recessions with Stock Bad Bear Markets”
“Revisit the “Too Much Finance” with Panel Data Analysis”

TEACHING EXPERIENCE

Teaching Assistant
Department of Economics, University of Washington
Introduction to Microeconomics, Fall 2012, Winter 2013
Introduction to Macroeconomics, Fall 2011, Winter 2012
Introduction to Computational Finance and Financial Econometrics, Summer 2016

RESEARCH EXPERIENCE

Research Assistant
Runstad Center for Real Estate Studies, University of Washington, 2012/4 -12, 2013/10-2014/8

Research Officer
Economic Analysis Dept., Central Bank of Republic of China (Taiwan), 2006/7-2009/7

SEMINAR PRESENTATIONS

2016
National University of Kaohsiung, National Central University (Dept. of Finance), National
Taipei University, National Chung Cheng University, University of Washington
(Computational Finance and Risk Management)

2015

University of Washington

SKILLS

Software: extensive experiences with R, Matlab, Stata, Microsoft Office; experience with GAUSS, SAS, Eviews, SPSS

Programming: experience with Java, C++

PERSONAL INFORMATION

Citizenship: Taiwan

Language: English (fluent), Chinese (native)

REFERENCES

Eric Zivot (Co-Chair)
Department of Economics
University of Washington
Seattle, WA 98195
ezivot@uw.edu, 206-543-6715

Chang-Jin Kim
Department of Economic
Department of Economic
Seattle, WA 98195
Changjin@uw.edu, 206-685-1382

Levis Kochin (Co-Chair)
Department of Economics
University of Washington
Seattle, WA 98195
lakochin@uw.edu, 206-543-5845

Thomas Gilbert
Michael G. Foster School of Business
University of Washington
Seattle, WA 98195
gilbertt@uw.edu 206-543-7472

“Predicting and Capitalizing on Two Types of Stock Bear Markets in the U.S.” (*Job Market Paper*), under review

Forecasting the states of the stock market is of interest to policy makers and investors. Different from previous literature that classifies the stock market into binary states (bull and bear markets), I further classify U.S. stock bear markets into good bear and bad bear markets. The latter are the bear markets associated with contraction phases of future cash flows, while the former are not. Most bad bear market states are accompanied by NBER declared recessions, whereas good bear markets are not accompanied by serious depressions in the real economy. Commonly used macroeconomic predictors also signal differently in forecasting these two types of bear markets. The value premium has distinct magnitude across the two types of bear markets. By applying a multinomial logit model with three alternatives (i.e., bull, good bear, and bad bear markets) to predict stock market states, I provide richer information about stock market states which is beneficial for policy makers and investors.

“Predicting Recessions with Bad Bear Markets” (*work in progress*)

This study extends Hsu (2015) to examine the reliability and timeliness of using stock bad bear markets as early warning signals of economic recessions. It finds that bad bear markets based on Hsu (2015) classification are much more reliable to predict recessions than conventional stock bear markets or the forecasting model that targets recessions directly. The forecasting model that predicts bad bear markets also provides timely information in the starts and the ends of economic recessions over NBER announcements.

“Revisit the “Too Much Finance” with Panel Data Analysis” (*work in progress*)

This paper revisits the issue of “too much finance” on economic growth. Specifically, we use different econometric methods in the panel data framework to address potential biases induced by dynamic dependent variable, weak exogenous independent variables, but control the heterogeneity across countries and time. Our dataset covers 85 developed and emerging countries for the period 1960 - 2014. We first reexamine the “vanishing” effect of financial growth on economic growth, and then investigate the non-linear finance-growth relationship by a quadratic specification. Our methods involve the standard FE (fixed-effect) estimations, GMM-System estimations, proposed by Blundell and Bond (1998), and the Half-Panel Jackknife Fixed-effect estimations, proposed by Chudik, Pesaran, and Yang (2016). After considering biases induced by dynamic specification, weak exogenous variables, we find a negative effect from the square term of financial development on economic growth. However, the corresponding threshold is sensitive to the data coverages and modelling choices.