XIAOKE YE

Bayes Business School, 106 Bunhill Row, London EC1V 8TZ

(+44)7706255669 ⋄ xiaoke.ye.1@bayes.city.ac.uk

EDUCATION

Bayes Business School, City University of London, London   *Sep 2018 - Present*
MPhil/PhD in Finance. Supervisor: Meziane Lasfer, Giovanni Cespa

Cass Business School, City University of London, London   *Sep 2018 - Present*
MSc in Finance (Distinction)

University of Cambridge, Cambridge   *Sep 2016 - July 2017*
Advanced Diploma in Economics
Wolfson College. Faculty of Economics.

Cass Business School, City University of London, London   *Sep 2013 - July 2016*
BSc (Hons) in Banking and International Finance (First Class)

Verdala International School, Malta   *Sep 2011 - July 2013*
International Baccalaureate Diploma.

WORKING PAPER

Tournament Incentives and Insider Trading

Abstract: We analyze the drivers of trading profitability of non-CEO managers who remain in their firm after losing their CEO promotion opportunity. Consistent with the implication of the tournament incentive models, we show that they trade intentionally on their private information opportunistically, profitably, and aggressively to compensate themselves for the forgone pay rise associated with the CEO position. They trade on their firms future declining performance, increase in its cost of capital, and investors sentiments. Using instrumental variable to address the reverse causality concern, we conclude that this trading opportunity weakens the well-documented positive relationship between tournament incentives and firm performance.

Do short-term incentives destablize the supply chain?

Co-authored with Jiaying Li

Abstract: We exploit an RDD setting to identify the impact of conducting EPS-motivated share repurchases when the EPS is slightly below analysts forecasts on supply chain relationships. We find that short-termist share buybacks cause firms to lose non-major customers. The effect is stronger when firms are financially constrained, have more competitors, and produce homogeneous product. The relationship breakdowns are due to a rationing in firms' production and a reduction in trade credits. Our findings suggest that the adverse effect of myopic share buybacks spills over through the supply chain, which reduces customer firms' sale growth and leads to losing other suppliers.

Insider trading through supply-chain M&A event

Co-authored with Lasfer Meziane and Lijuan Xie

Abstract: We document that corporate insiders significantly alter their trading activities and make more informed transactions when their competitors or customers firms become an M&A target. We argue that these insiders have a better understanding of the impact of the deal on their firms than the aggregate market. Consistent with the prediction of the operating and purchasing hypotheses, the main sources of gain behind these more informed transactions are the changes in future operating and

innovation efficiencies, and a higher probability of being acquired in the future. We show that these more informed transactions are based on public information channels rather than the conventional private information channels.

Why do corporate insiders trade at the 52-week high and low?
Co-authored with Lasfer Meziane
Abstract: Previous studies concluded that investors suffer from the 52-week high/low anchoring biases. We expand this evidence to corporate insiders, the conventionally viewed as informed traders. We find that they trade by adopting contrarian strategies, as they sell (buy) when prices reach 52-week high (low). After controlling for their dissimulation strategies to conceal their informational advantage, their trades at these price extremes systematically predict future returns. Our results suggest that insiders do not suffer from the 52-week high and low behavioral anchoring biases, and a trading strategy that combines these price extremes and insider trades generates significant excess returns.

CONFERENCES AND PRESENTATIONS

China International Conference in Finance (CICF)	*2022(Scheduled)*
Cass Business School Finance Research Day	*2020,2021*
European Financial Association (EFA) Doctoral Workshop	*2021*
European Financial Management Association (EFMA) PhD Seminar	*2022(Scheduled)*
European Financial Management Association (EFMA) Annual Conference	*2021,2022(Scheduled)*
Served as discussant	
Financial Management Association (FMA) Annual Conference	*2021*
Financial Management Association (FMA) Europe Conference	*2022(Scheduled)*
University of Technology Sydney Research Seminar	*2021*
7th International Young Finance Scholar's Conference	*2021*

ACADEMIC ACHIEVEMENTS

Cass Business School PhD Studentship (2018/2023)
Beta Game Sigma Society Membership Re-nomination in 2018 (Top 10% student)
Best Final Year Project (85) with bursary (2016)
Beta Game Sigma Society Membership Nomination in 2016 (Top 10% student)
Cass International Student Scholarship for three years (2013/2016)

PROFESSIONAL BODY MEMBERSHIP

AFA,EFA,EFMA,FMA

TEACHING ACTIVITIES AND CERTIFICATES

Postgraduate Certificate in Academic Practice	*July 2022(pending)*
Associate Fellow (AFHEA) of the Advance Higher Education	*Oct 2020*
Recognition Reference: PR202109	
Teaching Assistant. Timberlake Consultants.	*Dec 2019*
Teaching assistant in Timberlake Consultants' course for Machine Learning.	
Graduate Teaching Assistant. Bayes Business School.	*Sep 2019 - Present*

Teaching assistant in undergraduate modules, Advanced Econometrics and Forecasting, Final Year Project Stata Labs, Financial Econometrics, Business Economics.

WORK EXPERIENCE

Smart Insider, London   January 2021 - Oct 2021
Data Analyst: Contract-Based

· Refining the quantitative flags that Smart Insider provides to its clients to indicate the expected transaction return profitability.

Smart Insider, London   June 2019 - Aug 2019
Data Analyst: Placement

· Dissecting return patterns in insider trading data. Designing a new quantitative-based trade rating system which indicates the return profitability for a insider's transaction based on historical return.
· Back-testing the performance of the new trade rating system.
· Transforming the latest academic findings in insider trading literature into a commercially useful product.

Hooindex, London   Sep 2014 - Aug 2015
Intern FX trader

· Participating in trading Forex, analysing the market price movement.
· Achieving the trading volume target set by manager.Trading under pressure, tempering patience.

MEDIA EXPOSURE

Financial Times − *Letter: Reform is needed to tighten SEC rules on insider share trading on 06/01/2022*

REFERENCES

Prof. Lasfer Meziane
Bayes Business School
106 Bunhill Row
London
EC1Y 8TZ
United Kingdom
☎ +44 (0)20 7040 8634
✉ m.a.lasfer@city.ac.uk

Prof. Giovanni Cespa
Bayes Business School
106 Bunhill Row
London
EC1Y 8TZ
United Kingdom
☎ +44 (0)20 7040 8704
✉ giovanni.cespa.1@city.ac.uk

Prof. Ian Marsh
Bayes Business School
106 Bunhill Row
London
EC1Y 8TZ
United Kingdom
☎ +44 (0)20 7040 5121
✉ i.marsh@city.ac.uk

Dr. Malvina Marchese (Teaching)
Bayes Business School
106 Bunhill Row
London
EC1Y 8TZ
United Kingdom
☎ +44 (0)20 7040 8772
✉ alvina.marchese@city.ac.uk

SOFTWARE SKILLS

Microsoft Office. Stata. LaTeX. Eviews. SQL. Python (Beginner). SAS(Beginner).