

LONG CHEN

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EDUCATION

- Ph.D. in Finance, University of Toronto, 2001
- M.A. in Economics, University of New Brunswick, 1996
- B.S. in Economics, Fudan University (China), 1991

EMPLOYMENT

- 2001-present: Assistant Professor of Finance, Michigan State University.
- 1993-1994: Trader, Shen Zhen Metal Exchange and Yunnan Metal Exchange, China.
- 1991-1993: Assistant Manager, China Non-ferrous Metals Import and Export Corporation, Yunnan Company.

RESEARCH INTEREST

- Empirical Asset Pricing and Applied Asset Pricing Theory
- Corporate Financing and Payout Decisions

PUBLICATIONS

- Corporate Yield Spreads and Bond Liquidity, with David Lesmond and Jason Wei, *Journal of Finance*, 62 (2007), 119-149.
- The Expected Value Premium, with Ralitsa Petkova and Lu Zhang, forthcoming, *Journal of Financial Economics*, 87 (2008), 269-280.
- Expected Returns, Yield Spreads, and Asset Pricing Tests, with Murillo Campello and Lu Zhang, forthcoming, *Review of Financial Studies*.
- On the Relation between the Credit Spread Puzzle and the Equity Premium Puzzle, with Pierre Collin-Dufresne and Robert Goldstein, forthcoming, *Review of Financial Studies*.
- On the Relation between the Market-to-Book Ratio, Growth opportunity, and Leverage Ratio, with Shelly Zhao, *Finance Research Letters*, 3(2006) 253-266.
- Mechanical Mean Reversion of Leverage Ratios, with Shelly Zhao, *Economic Letters*, 95 (2007) 223-229.

PAPERS UNDER REVIEW

- (1) On the Reversal of Dividend and Return Predictability: A Tale of Two Periods, presented at the Adam Smith Asset Pricing Workshop at London Business School.
- (2) Neoclassical Factors, with Lu Zhang, presented at UBC 2007 summer conference and at Barclays Global Investors.
- (3) Return Decomposition, with Xinlei Zhao, presented at the 2006 NBER asset pricing meeting, the 17th Financial Economics and Accounting annual meeting, and AFA 2007.
- (4) Are Financial Constraints Priced? Evidence from Firm Fundamentals, Stocks, and Bonds, with Murillo Campello, presented at AFA 2006.
- (5) What Drives Stock Price Movements? With Xinlei Zhao, to be presented at WFA 2008.
- (6) What Do Bank Loans Bring about? Evidence from Bondholder Wealth Effects Surrounding the Announcements of Bank Credit Agreements, with Jun-Koo Kang and Noolee Kim.

WORK IN PROGRESS

- (1) Investment-Based Abnormal Performance Following Capital Distributions, with Lu Zhang.
- (2) Modeling the Dividend Process When Leverage Ratios are Stationary, with Pierre Collin-Dufresne and Robert Goldstein.
- (3) Cash Flow Risk and the Cross-Section of Cost of Equity, with Xinlei Zhao.
- (4) Asset Tangibility and Capital Structure, with Murillo Campello
- (5) Why Do More Profitable Firms Have Lower Leverage Ratios? With Xinlei Zhao.

TEACHING

I teach fixed income investment at both undergraduate and MBA levels. I received an Excellence in Teaching Award at Michigan State University in 2003. My MBA course evaluation scores for 2003-2007 are 1.35, 1.73, 1.23, 1.78, and 1.38 respectively, with 1 representing the best possible rating and 5 the worst. The average score in the business school is about 2.18 for MBA teaching and a score of 1.75 usually corresponds to the cutoff point of top 25% at the business school.

OTHER SCHOLARLY ACTIVITIES

- Referee

Journal of Finance, Review of Finance, Journal of Financial and Quantitative Analysis, Multinational Finance Journal, Journal of Empirical Finance, Journal of Money, Credit, and Banking, Financial Review, Oxford Bulletin of Economics and Statistics, Pacific-Basin Journal, Risk.

- Conference Presentations (by myself)
 - NBER Asset Pricing Meeting 2006
 - American Finance Association Annual Meeting, 2003, 2005 (two papers), 2006 (two papers), 2007 (two papers)
 - Western Finance Association Annual Meeting, 2006
 - Financial Management Association Meeting, 2001, 2004, 2005, 2006
 - Financial Economics and Accounting Annual Meeting, 2003, 2006
 - The Adam Smith Asset Pricing Workshop at London Business School (2007)
 - 2005 Federal Reserve Board Risk Premium Conference
 - Northern Finance Association Annual Meeting, 1999, 2000
 - Administrative Science Association of Canada Annual Meeting, 1999, 2000

- Conference Discussions
 - Western Finance Association Annual Meeting, 2002, 2003
 - Financial Management Association Meeting, 2001 (two papers)
 - Northern Finance Association Annual Meeting, 1999, 2000
 - Administrative Science Association of Canada Annual Meeting, 1999, 2000

- University Presentations (by myself)

University of Michigan (twice), University of Illinois at Urbana Champaign, Ohio State University, Washington University at St. Louis (twice), Emory University, University of Notre Dame, Copenhagen Business School, Georgetown University, HKUST Business School, McGill University, Michigan State University, Norwegian School of Management, SUNY Binghamton, Texas A&M University, Tel Aviv University, University of Hong Kong, University of Toronto, University of Western Ontario.