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EDUCATION BACKGROUND

- **Ph.D.** in Business Administration (Finance), **University of North Carolina at Charlotte**, expected May 2016
Dissertation: Three Essays in Bond Returns and the Cost of Debt
Essay 1: Standalone Firms, Conglomerates, and Bonds Returns
Essay 2: Financial Restatement and the Cost of Debt (*Job Market Paper*)
Essay 3: Voluntary Disclosure and the Cost of Debt
Advisor: Dr. Tao-Hsien Dolly King
- **M.S.** Economics, **Boston College**, 2008
- **M.S.** Electronic Engineering, **Zhejiang University**, China, 2006
- **B.S.** Electronic Information Engineering, **Chongqing University**, China, 2003

RESEARCH INTERESTS

- Corporate Finance; Fixed Income Securities; Investments; Restatement; Voluntary Disclosure

TEACHING INTERESTS

- Financial Management; Investments; Financial Theory and Practice; Derivatives; Fixed Income Analysis

WORKING PAPERS

“**Financial Restatement and the Cost of Debt**”, with Tao-Hsien Dolly King and Keejae Hong. (*Job Market Paper*)

This paper is the first to study the effect of accounting restatements on a firm’s cost of debt capital. We focus on firms with overstated or understated operating cash flows as revealed through a subsequent restatement. Our results indicate that restatement announcements have a significant impact on the firm’s cost of debt. Firms with understated operating cash flows experience a reduced cost of debt capital after the announcements, supporting the notion that the restatement signals a firm’s favorable performance. On the other hand, the change in cost of debt for firms with overstated operating cash flow is generally insignificant. We further find that the effect is most pronounced for noncallable debt and bonds with shorter maturity. Multivariate results confirm that a positive change in operating cash flows lead to a significant drop in the cost of debt capital after controlling for bond and firm characteristics, bond market systematic factors, equity market risk factors, and time fixed effects.

“**Standalone Firms, Conglomerates, and Bonds Returns**”, with Tao-Hsien Dolly King and George Xiang.

Presented at 2015 Midwest Finance Association Annual Meeting

Over the past two decades, an increasing number of corporations become large conglomerates by expanding into multiple industries. In this paper, we investigate whether this trend yields any impact on bondholder return based on a sample of investment grade bonds from 1994-2013. We find that bonds issued by standalone corporations have a significantly higher return than bonds issued by conglomerates. The difference in return holds after controlling for bond characteristics and market systematic factors. We find support for two possible explanations for the return differential. Conglomerate bonds may have lower liquidity risk due to the issuers’ broader reputation across industry sectors. The results show that the difference in return is most significant for illiquid bonds. In addition, standalone firms are more sensitive

to market shocks, which may lead to greater return volatility. We find a significant drop in return when an issuer first ventures from single to multiple industries, but the diversification effect diminishes quickly once the firm is a conglomerate.

“**Voluntary Disclosure and the Cost of Debt**”, with Tao-Hsien Dolly King and Keejae Hong.

In this paper we investigate how voluntary disclosure of management earnings forecast affects a firm’s cost of debt. Prior literature on voluntary disclosure and a firm’s cost of capital mainly focuses on the cost of equity. We develop and test the following hypothesis: managerial earnings forecast reduces information asymmetry, thus reduces the cost of debt. Furthermore, the effect on the cost of debt capital is asymmetric: the magnitude of change in bond prices after unfavorable forecasts is larger than that after favorable forecasts.

“**Active Institutional Holdings and Dividend Payout Policy**”, with Dmitry A. Shapiro and Anan Zhuang.

Presented at 2014 Financial Management Association Annual Meeting

In this paper we test whether there is an effect of active holdings by institutional investors on firms’ dividend policy. We construct a proxy variable that measures the active institutional ownership of a given firm. We show that higher active ownership results in a lower dividend yield. We also show that different types of institutions have different effect on the likelihood of dividend initiation. A larger active ownership by mutual funds leads to a higher probability of a dividend initiation while active ownership by other types of institutions, e.g. banks or pension funds, results in a lower chance of a dividend initiation. Finally, the effect of active ownership on payout policy exhibits a lag of one to two years.

RESEARCH EXPERIENCE

2011.8~2012.12 *Research Assistant* for Prof. I-Hsuan Ethan Chiang, Finance Department, Belk College of Business, UNC-Charlotte. Bootstrap simulation of several unconditional and conditional market timing models (using MATLAB).

2007.7~2008.8 *Research Assistant* for Prof. Jun Qian, Finance Department, Carroll School of Management, Boston College. Data compilation and regression analysis on cross-country patterns of corporate financing and growth.

2008.6~2008.8 *Research Assistant* for Prof. Jun Qian and Philip E. Strahan, Finance Department, Carroll School of Management, Boston College. Data collection (using Bloomberg) on project related to rating agencies and mortgage-backed securities market.

2006.9~2007.6 *Research Assistant* for Prof. Zhijie Xiao, Department of Economics, Boston College. Database buildup using IBES U.S. recommendations casting on analyst recommendations in Stata; financial data analysis and model realization using Visual C++ in support of a dynamic model of analyst recommendations.

CONFERENCE ACTIVITIES

- Presentations:

Do Conglomerate Bonds Outperform Standalone Bonds? (Coauthored with Tao-Hsien Dolly King and George Xiang), Presented at *Midwest Finance Association Annual Meeting*, March 2015.

Active Institutional Holdings and Dividend Payout Policy (Coauthored with Dmitry Shapiro and Anan Zhuang), Presented at *Financial Management Association Annual Meeting*, October 2014.

- Discussant for:
Do Business Cycles Influence Corporate Cash Holdings? (Anna-Leigh Stone and Benton E. Gup), *Financial Management Association Annual Meeting*, October 2014.

To What Extent does Liquidity Affect M&A Performance? Evidence from China (Alessandra Guariglia, Jie “Michael” Guo, and Junhong Yang), *Midwest Finance Association Annual Meeting*, March 2015.
- Session Chair for:
Session 99 “M&A in International Markets,” *Midwest Finance Association Annual Meeting*, March 2015.

PUBLICATION

Sailu Li, X. Jin, X. Zhang, and Y. K. Zou, “*Digitally Controlled Programmable Variable Optical Attenuator*”, *Microwave and Optical Technology Letters*, Wiley Periodicals, Inc. Vol.48, No.6, P1019-1021, Jun. 2006

TEACHING EXPERIENCE

Financial Theory & Practice , <i>Instructor, Scheduled</i>	Spring 2016
Investments , <i>Instructor, Class size: 41</i>	Fall 2015
Investments , <i>Instructor, Class size: 12</i>	Summer 2015
Overall effectiveness rating 4.64/5.0 , compared to department average 4.56/5.0	
Financial Theory & Practice , <i>Instructor, Class size: 80</i>	Spring 2015
Overall effectiveness rating 4.53/5.0 , compared to department average 4.16/5.0	
Investments , <i>Instructor, Class size: 29</i>	Fall 2014
Overall effectiveness rating 4.38/5.0 , compared to department average 3.98/5.0	
Financial Management , <i>Instructor, Class size: 41</i>	Summer 2014
Overall effectiveness rating 4.63/5.0 , compared to department average 4.49/5.0	
Financial Management , <i>Instructor, Class size: 54</i>	Spring 2014
Overall effectiveness rating 4.0/5.0 , compared to department average 4.15/5.0	
Principles of Macroeconomics , <i>Instructor, Class size: 38</i>	Summer 2013
Overall effectiveness rating 3.85/5.0 , compared to department average 4.35/5.0	

AWARDS AND GRANTS

- Summer Research Grant Award, Belk College of Business, UNC-Charlotte, 2014
“Active Institutional Holdings and Dividend Payout Policy”, with Dmitry A. Shapiro.
- UNC-Charlotte Graduate Research Symposium, 2014.
- Graduate Assistant Support Plan (GASP), The Graduate School, UNC-Charlotte, 2011-present.
- Graduate Assistantship, Belk College of Business, UNC-Charlotte, 2011-present.

WORKING EXPERIENCE

- 2009.12~2010.3 *Full-time Intern* in BNY Mellon Western FMC, Shanghai, China. Writing SAS programs for quantitative regression analysis on China equity data.
- 2009.6~2009.9 *Full-time Intern* in Advanced Research Center, SSgA-Boston. Build financial database with debt and equity data for credit analysis using Access; develop searching and regression analytical tools to measure miscellaneous macroeconomic and financial factors' impact on returns as support for portfolio managers' decision on assets rebalancing.

QUALIFICATIONS

- Passed all three levels of the CFA[®] program and may be eligible for the CFA[®] Charter upon completion of the required work experience.

COMPUTER SKILLS

Languages: C, C++, Visual Basic, Assembly Language, SQL, LaTeX.

Software: MATLAB, Office (Access, Excel, PowerPoint, Word), Stata, SAS.

Database: COMPUSTAT, CRSP, Eventus, IBES, Mergent FISD, Snapshot, TRACE, Thomson Reuters.

Financial Tool: Bloomberg[®], POINT[®], FactSet[®].

LANGUAGES

Mandarin (native), English (fluent)

REFERENCES

Dr. Tao-Hsien Dolly King (Dissertation Chair)

Chair, Finance Department
Rush S. Dickson Professor of Finance
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Dr. I-Hsuan Ethan Chiang

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Dr. Keejae P. Hong

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Dr. Dmitry A. Shapiro

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