Yaxuan Wen

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Education

Ph.D., International Economics & Finance, Brandeis University (Waltham, MA) 2018 – 2023
Dissertation: "Essays on Securities Issuance: a Look from Private Capital Markets"
M.S., International Economics & Finance, Brandeis University (Waltham, MA) 2021
A.B. (*magna cum laude*), Economics, Mathematics, Bryn Mawr College (Bryn Mawr, PA) 2016

Professional Credential

Financial Risk Manager (FRM), Certified by the Global Association of Risk Professionals Certified in 2019

Industry Experience

Analyst, NERA Economic Consulting (New York, NY) 2016-2018

- Conducted empirical and qualitative research in support of expert reports and testimonies (30+ cases), white papers, and business development materials. Familiar with analyses in:
  - Mass tort claims and liability forecast;
  - Class certification and economic loss valuation in product liability and labor and employment;
  - Securities class action damage valuation and settlement prediction.

Summer Analyst, Aberdeen Asset Management (Philadelphia, PA) 2015

- Researched the data requirements of investment teams across asset classes. Worked with firm executives and vendors to design data solutions.

Teaching Experience

Adjunct Professor/Lecturer at Brandeis University

Statistical Modeling with R for Economics and Finance (online) Summer 2022, 2023
Investments Fall 2021
Statistics for Economic Analysis (online) Summer, Fall 2020
Introduction to Finance Summer 2020
A Survey of Economics Summer 2019

Teaching Assistant at Brandeis University (all graduate finance courses)

Transfer Pricing, Fixed Income Securities, Computer Simulations and Risk Assessment

Research Papers (descriptions on page 2)

"How do Venture Capital Funds Raise Capital?" *(Best PhD Paper Award 2023 FMCG Conference)*
"Is Going Public via SPAC Regulatory Arbitrage? A Textual Analysis Approach"(w/ Mengnan Zhu)
"The Going Public Decision and Retail Investors in SPACs vs. IPOs"(w/ Debarshi Nandy)
"Why Pension Funds Underperform in Treasury Auctions"(w/ Patrick Herb)
I am an empirical researcher and experienced in the research pipeline: hypothesis formation, data acquisition and preparation, empirical analysis, report writing, and presentation of findings.

Additional Quantitative Finance Projects

Equity valuation, VaR and ES estimation using PCA and Monte-Carlo simulations, volatility modeling, equity option pricing with simulations, CDS pricing with term structure, limit order book order execution

Skills

Programming: Python, SQL, STATA, SAS, R, QGIS, EViews, Access, MATLAB, LaTeX.
Application: Factor models, numerical simulations, machine learning, web scraping, textual analysis, network analysis, entity resolution, forecasting, recommender system, principal component analysis (PCA), spatial analysis, data visualization, input-output model.
Data: Bloomberg, CRSP, Compustat, EDGAR, FactSet, Factiva, Thomson Reuters Refinitiv, IMPLAN
Language: Bilingual proficiency in English and Mandarin. Intermediate proficiency in French.

Research Assistantship

Research Assistant for Professors (All Brandeis University)
Anna Scherbina (finance), Judith Dean (trade), Jean-Paul L'Huillier (macro), Tymon Słoczyński (labor)

Fellowships and Awards

Rosenberg Summer Research Award, Brandeis University	2020, 2021, 2022
Graduate Fellowship, Brandeis University	2018-2023

Dissertation Committee/References

Debarshi Nandy (Chair)	dnandy@brandeis.edu | 781-736-8364
Anna Scherbina	ascherbina@brandeis.edu | 781-736-4709
Yang Sun	yangs@brandeis.edu | 781-736-4708

Research Papers

1. *"How do Venture Capital Funds Raise Capital?" (Best PhD Paper Award 2023 FMCG Conference)*

VC fund formation is a critical market activity that draws capital into the VC ecosystem, which contributes to innovation and economic growth. In VC fundraising, one of the most challenging tasks is to find limited partners (LPs) to pitch to. The pool of potential LPs traditionally builds upon the general partners' (GPs) existing network, but GPs may also widen their reach through general solicitation (GS) and broker intermediation. In the 2014-2021 sample created from Form D filings and Refinitiv, 32% of the VC funds used GS and brokers. GS and brokers impose costs on the issuer, but the costs differ. Consequently, funds that use GS or brokers have distinctive characteristics from those that do not, and GS and brokers are utilized by different segments of the VC fundraising market. VC funds are more likely to use GS if they are located outside major VC hubs, have a smaller GP team and a higher percentage of female GPs, and have less experience. On the other hand, brokers are typically commissioned to raise larger funds, often by well-established VCs. GS funds, on average, underperform non-GS funds, while brokered funds do not have a systemic performance differential compared to non-brokered funds. One possible channel for GS funds' underperformance is their limited geographic reach for high-quality investment opportunities.

2. *"Is Going Public via SPAC Regulatory Arbitrage? A Textual Analysis Approach"(w/ Mengnan Zhu)*

Using textual analysis, we compare the information content of the merger proxy statements in deSPAC mergers to the prospectus of their propensity-score-matched IPO peers. We argue that going public via a deSPAC merger is regulatory arbitrage. Firms circumvent the SEC review process required in a conventional IPO and provide less comprehensive but overconfident disclosures to the public. The differences exhibited in pre-public disclosures become negligible in post-public annual report filings, where identical disclosure requirements apply, and regulatory arbitrage no longer exists. After going public, deSPAC firms have higher litigation risks and worse stock performance. We call for unified regulations overseeing alternative going-public methods to maintain information transparency and a fair public market.

3. *"The Going Public Decision and Retail Investors in SPACs vs. IPOs"(w/ Debarshi Nandy)*

This is the first paper to document investor trading activity immediately following a firm's public market debut via an IPO and a deSPAC merger. The popularity of SPACs among retail investors tends to be driven by their return volatility following the announcement of the deSPAC target rather than target company fundamentals. Retail investments are allocated to riskier firms through deSPAC. We find that deSPAC firms tend to be younger, VC-backed, and have lower current ratios relative to IPO firms. While the average returns on SPAC common shares outperform the market after the target announcement, they generate larger losses on average after the target firm goes public, relative to firms going public via IPOs.

4. *"Why Pension Funds Underperform in Treasury Auctions"(w/ Patrick Herb)*

We examine which types of investors profit from U.S. Treasury auctions and why. Post-auction prices of treasury securities tend to rise into the settlement. In 2003-2020, we value the aggregate price appreciation of auctioned securities to be more than 58 billion dollars, which is the treasury auction return investors could earn by buying from treasury auctions instead of the secondary market on the issue date. We show that different auction participants do not profit equally from this return and that pension funds underperform all other investor classes. We attribute the heterogeneity in treasury auction profit to differences in risk preference and ability to win bids under uncertainty. We show that pension funds auction allotments are the highest when risk premia are the lowest.