# SINING LIU

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## ACADEMIC POSITIONS

**Soochow University** 2023-Present
Assistant Professor of Finance

## EDUCATION

**Faculty of Business and Economics, The University of Hong Kong** 2018 - 2023
Ph.D. in Finance

**Olin Business School, Washington University in St.Louis** 2015 - 2017
M.S. in Finance (Quant Program)

**School of Finance, Renmin University of China** 2011 - 2015
B.A. in Economics

## RESEARCH INTEREST

Asset Pricing, International Finance, Macro-Finance, Banking

## PUBLISHED PAPERS

**Sustainable Regulation, Stronger Currencies: Evidence from Capital Flow Dynamics**(with Wendi Huang)
*(**Journal of International Money and Finance**, Volume 162, February 2026, 103531)*

## WORKING PAPERS

**Currency Risk under Capital Controls**(with Xiang Fang and Yang Liu)
*(**Journal of International Economics**, Conditional Accept)*
**Abstract**: Currencies in emerging markets with stricter capital controls exhibit lower average returns, unexplained by standard currency risk factors. This relation is pronounced in debtor countries with high foreign currency liability shares. Capital controls mitigate currency risk by preventing depreciation during market turmoil. We propose an intermediary asset pricing model incorporating an occasionally binding credit constraint for borrowing countries. Capital controls lower crises probability and reduce currency crashes. The model replicates the empirical findings and quantifies the financial impact of pecuniary externality. Based on the model, currency risk premia serve as a tool for policy evaluation.

*Presented at 2024 CAFM, 2024 SFS Cavalcade AP, 2024 EEA, 2023 VSFX, 2023 WFA, 2023 NASMES, 2023 ABFER, 2023 HEC-McGill Winter Finance Workshop, 2023 FDU (CFAM-ARX Paper Award), 2022 EFA, 2022 CICF, 2022 CFRC, 2022 CICM, 2022 AMES Tokyo, 2022 AMES Shenzhen, 2022 AsianFA*

**Survival of the Fittest: A Three-Factor Model in the Currency Market**(with Yan Wang and Lingxiao Zhao)
*(**Journal of International Money and Finance**, Revise and Resubmit)*
**Abstract**: Recent decades have witnessed a rapid growth in proposed risk factors in the international currency market. While most currency factors are evaluated using conventional asset pricing tests that can be mechanically distorted, we identify the best asset pricing model using a survival-of-the-fittest approach. Our framework treats competing currency factor models as alternative specifications of the stochastic discount factor and compares them within a Bayesian framework. We find that a parsimonious three-factor model including the dollar (DOL), carry (CAR), and business-cycle or output-gap (GAP) factors dominates the model space. This model achieves the highest marginal likelihoods, delivers positive and precisely estimated risk premia, and spans the remaining factors. Its dominance is robust across distributional assumptions, alternative factor proxies, and out-of-sample tests. Economically, the model also delivers strong pricing and investment performance, spanning most external currency portfolios and providing superior risk–return trade-offs. Overall, our results provide an economically interpretable benchmark for understanding risk compensation in foreign exchange markets.

**Dollar and Carry Redux**(with Thomas Maurer, Andrea Vedolin and Yaoyuan Zhang)
**Abstract**: Contrary to existing literature, we establish that two factors, dollar and carry, suffice to explain a large cross-section of currency returns with $R^2$s exceeding 80%. Our paper highlights the importance of accounting for time-variation in conditional moments. Unconditional estimations that ignore this time-variation mistakenly reject the two-factor model. We propose a parsimonious framework to estimate conditional currency factor models and provide testable restrictions. Our findings imply that currency markets are well described by a model in which (i) each country-specific SDF loads on one country-specific—dollar—and one global—carry—shock, and (ii) risk loadings are time-varying. Other risk factors proposed in the literature are useful to describe the time variation in dollar and carry factor risk premia.

*Presented at 2025 SFX, 2025 SGF, 2025 MFA, 2024 AsianFA, 2024 FIRS, 2024 SFS Cavalcade NA, 2023 CICF , 2022 AFBC*

**Integrated ESG Regulation and Cost of Bank Loans: International Evidence**(with Wendi Huang)
**Abstract**: In this paper, we examine the impact of integrated ESG regulation on firms' cost of bank loans within an international sample of 32 countries from 1996 to 2022. Employing a staggered Difference-in-Differences approach, we find that firms subject to unified ESG regulation – measured by the passage of all-at-once mandatory ESG disclosure laws – experience significantly lower bank loan spreads compared to firms not exposed to such regulations. Through comprehensive mechanism analyses, we demonstrate that the reduction in firms' borrowing costs associated with integrated ESG regulation is driven by the mitigation of information asymmetry between firms and banks. A series of robustness tests confirm our results.

**Roles of Global Banks in Local Asset Markets under Regulations**
**Abstract**: Stronger regulations in fact enhance roles of global banks as marginal investors in the local asset markets. After the Global Financial Crisis, leverages of global banks become significant in predicting asset returns in local markets where their subsidiaries are located, while are muted in pre-crisis period. This transmission of roles of global banks is motivated by the positive funding advantage in local currency for dollar lenders through the FX swap market as a consequence of tighter balance sheet constraints imposed on global banks under the Basel III framework. For global banks with higher capital requirement, the effect of funding advantage is stronger. A two-bank two-currency model is proposed to justify the empirical findings.

## PRESENTATIONS

*Conferences*
**2026**:
The 38th Asian Finance Association Annual Meeting (AsianFA, Seoul)

**2025**:
The 10th Cross Country Perspectives in Finance Conference (CCPF, Sanya)
Symposium on Foreign Exchange Markets (SFX, Cambridge)
2025 Annual Conference of the Swiss Society for Financial Market Research (SGF, Zurich)
2025 Midwest Finance Association Annual Meeting (MFA, Chicago)

**2024**:
19th Conference on Asia-Pacific Financial Markets (CAFM, Seoul)
2024 SFS Cavalcade Asia-Pacific (Cavalcade AP, Seoul)
39th European Economic Association (EEA, Rotterdam)
36th Asian Finance Association Annual Meeting (AsianFA, Macau)
2024 Financial Intermediation Research Society Conference (FIRS, Berlin)
2024 SFS Cavalcade North America (Cavalcade NA, Atlanta)

**2023**:
2023 Vienna Symposium on Foreign Exchange Markets (VSFX, Vienna)
2023 Western Finance Association (WFA, San Francisco)
2023 Asian Bureau of Finance and Economic Research (ABFER, Singapore)
2023 North America Summer Meeting of Econometric Society (NASMES, Los Angeles)
10th HEC-McGill Winter Finance Workshop (Ischgl, Austria)
2023 Finance Down Under (FDU, Melbourne)
——*CFAM-ARX Paper Award, the CFA Society of Melbourne and the Asia-Pacific Research Exchange of the CFA Institute*

2023 China International Conference in Finance (CICF, Shanghai)

**2022**:
49th European Finance Association Annual Meeting (EFA, Barcelona)
35th Australasian Finance and Banking Conference (AFBC, Sydney)
2022 China International Conference in Finance (CICF, Shanghai)
2022 China Financial Research Conference (CFRC, Beijing)
4th China International Conference on Macroeconomics (CICM, Shenzhen)
2022 Asian Meeting of the Econometric Society (AMES, Shenzhen)
34th Asian Finance Association Annual Meeting (AsianFA, Hong Kong)
2022 Asian Meeting of the Econometric Society (AMES, Tokyo)

## TEACHING

Undergraduate: Financial Markets (Bilingual), Fixed-income Securities
Master: Macro-Finance
MBA: Behavioral Finance

## REFERENCES

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