



FBA

NEWSLETTER

15 Nov 2023

ISSUE 91

NEWS

1 BBA PROGRAMME HELD MAJOR DECLARATION FOR YEAR TWO UNDERGRADUATE STUDENTS

Teaching and Learning

In order to provide more information regarding each major in BBA programme for year two BBA programme students, the BBA programme major declaration briefing was held at E22-G013 on 1 November 2023.

The briefing started with a warm greeting by **Prof. Zhuo QIAO (喬卓教授)**, Programme Director of BBA Programme. He provided a brief introduction to the BBA programme and gave suggestions on choosing suitable majors.

The BBA programme has about 1000 undergraduate students and offers five majors, including Business Economics, Financial Controllershship, Global Business Management, Human Resources Management and Marketing. **Prof. Henry LEI (李振國教授)**, **Prof. Philip LAW (羅建勛教授)**, **Prof. Javier CUERVO**, **Prof. Lucy LIN (林曉婉教授)** and **Prof. Lancy MAC (麥慧妍教授)** introduced these majors, respectively. Several students from different majors also shared their study experiences and oversea exchange lives. Information on major requirements, quotas and how to make the declaration were offered to the students. It is believed that the students will be able to learn much helpful information regarding each major from this briefing. The briefing ended with a Q & A section.



Prof. Henry LEI introduced the features of Business Economics major



Prof. Philip LAW introduced the features of Financial Controllershship major



Prof. Javier CUERVO introduced the features of Global Business Management major



Prof. Lucy LIN introduced the features of Human Resource Management major



Prof. Lancy MAC introduced the features of Marketing major



Prof. Li MIAO delivered welcome speech for The Frontier in Hospitality and Tourism Annual Research Symposium



Group photo of the delegation of the Department of Integrated Resort and Tourism Management

2 THE DEPARTMENT OF INTEGRATED RESORT AND TOURISM MANAGEMENT PARTICIPATED IN THE "2023 FRONTIER IN HOSPITALITY AND TOURISM ANNUAL RESEARCH SYMPOSIUM"

Research

Since the establishment of the China Tourism Education Alliance and the Inaugural Frontiers in Hospitality and Tourism Annual Research Symposium held at UM in October 2022, the second Frontier in Hospitality and Tourism Annual Research Symposium took place on 14 and 15 October 2023 at the College of Tourism and Service Management, Nankai University, one of the founding alliance members. The theme of the symposium was "Changes and Challenges: The Innovative Development in Culture and Tourism". Over 200 teachers and students from 45 institutions worldwide registered and participated in the symposium sessions, which included Keynote Speeches, Undergraduate Innovation Research Forums, Thematic Sub-forums, etc.

The symposium began with a welcoming speech from **Prof. Li MIAO (苗莉教授)** and other university professors. Professors and students from the Department of Integrated Resort and Tourism Management of the Faculty of Business Administration at the University of Macau also actively participated in the symposium.

For more details, please visit: <https://fba.um.edu.mo/faculty-and-students-of-the-department-of-integrated-resort-and-tourism-management-participated-in-the-2023-frontier-in-hospitality-and-tourism-annual-research-symposium/>

3 DEPARTMENT OF MANAGEMENT AND MARKETING HELD GLOBAL BUSINESS MANAGEMENT NIGHT

Teaching and Learning

Business Engagement

Department of Management and Marketing hosted the Global Business Management (GBM) night on 30 October 2023. The event began with a welcome remark by **Prof. Jacky HONG (洪福來教授)**, Head of the Department of Management and Marketing, followed by a brief introduction about the advantages and career prospects of the GBM major by **Prof. Javier CUERVO**, Coordinator of GBM major. Cathy HO who studied for a semester at Neoma Business School in France shared how she was enriched by choosing courses not offered in UM and by stepping out of her comfort zone to grow in maturity and cross-cultural intelligence. Two alumnus, Mr. Ken SO, President of Macau Musi/Performing Arts Associations; Founder of Chessman Music Industry and Mr. Michael Kowalski RODA (Category Manager, Supermarket Operations, Monoprix, Doha Qatar) shared how the major contributed to their career development.

For more details, please visit: <https://fba.um.edu.mo/gbm-night/>



Group photo



Global Business Management night

4

FBA SUCCESSFULLY HELD FOUR FBA SEMINAR SERIES IN INTEGRATED RESORT AND TOURISM MANAGEMENT, BUSINESS INTELLIGENCE AND ANALYTICS, ACCOUNTING AND MARKETING

Teaching and Learning

Research

Service

The Faculty of Business Administration (FBA) of the University of Macau (UM) successfully held the Seminar 079 on 09 Nov, Seminar 080 and 081 on 10 Nov, and Seminar 082 on 13 Nov.



The FBA Seminar Series 079: **Prof. Soey LEI (李雪瑩教授)** hosted the seminar delivered by **Prof. Dan WANG (王丹教授)**, Associate Professor, The Hong Kong Polytechnic University.



Prof. Dan WANG (王丹教授) presented her study "Information Technology Sociology & Research Implications in Tourism & Hospitality".



The FBA Seminar Series 080: **Prof. Yan LIN (林龔教授)** hosted the seminar delivered by **Prof. Li XIAO (肖嶸教授)**, assistant professor, Tsinghua-Berkeley Shenzhen Institute (Tsinghua University).



Prof. Li XIAO (肖嶸教授) presented her study "On the Design of Service platform: pricing, delay promise, and information".



The FBA Seminar Series 081: **Prof. Duncan LIU (劉鍵程教授)**, hosted the seminar delivered by **Prof. Wen LIN (林雯教授)**, Assistant Professor, The Central University of Finance and Economics.



Prof. Wen LIN (林雯教授) presented her study "Flying too close to the Sun – The effect of Federal Reserve rate disclosure on analyst forecasts".



The FBA Seminar Series 082: **Prof. Chanthika PORNPIITAKPAN** hosted the seminar delivered by **Prof. Hao SHEN (沈浩教授)**, Professor, the Chinese University of Hong Kong.



Prof. Hao SHEN (沈浩教授) presented his study "Conflict and Consumer Behavior".

UPCOMING EVENT




UNIVERSITY OF MACAU
FACULTY OF BUSINESS ADMINISTRATION

FBA SEMINAR SERIES
- 083



FBA SEMINAR SERIES
Growing the Efficient Frontier on Panel Trees
(joint with Will Cong, Jingyu He, and Xin He)

Prof. Gavin, Guanhao FENG
Assistant Professor of Business Statistics
City University of Hong Kong
Date: 17 November 2023 (Friday)
Time: 10:30 am to 12:00 pm
Venue: E22-G015
Host: Prof. Yi DING, Assistant Professor in Business Intelligence and Analytics
Online registration: https://umac.au1.qualtrics.com/jfe/form/SV_aftnv5qvqZBFa7k

Abstract

We develop a new class of tree-based models (P-Trees) for analyzing (unbalanced) panel data using economically guided, global (instead of local) split criteria that guard against overfitting while preserving interpretability. To generalize security sorting and better estimate the efficient frontier, we grow a P-Tree top-down to split the cross section of asset returns to construct stochastic discount factors and test assets under the KMF framework, visualizing (asymmetric) nonlinear interactions among firm characteristics (and with macroeconomic states). When applied to U.S. equities and especially when boosted, P-Trees significantly advance the efficient frontier relative to those constructed with established factors and common test assets. Diversified P-Tree test portfolios exhibit significant unexplained alphas against benchmark factor models. P-Trees also outperform most known observable and latent factor models in pricing cross-sectional returns, delivering transparent trading strategies, and generating risk-adjusted investment outcomes. Beyond asset pricing, our framework offers a more interpretable and computationally efficient alternative to recent machine learning and AI models for analyzing panel data through goal-oriented, high-dimensional clustering.

Register Now!



Speaker

Guanhao (Gavin) Feng is an assistant professor of business statistics at the City University of Hong Kong. He is also the program leader of MSc in Business Data Analytics, a faculty affiliate at the School of Data Science, and a scientist in the Lab for AI-Powered FinTech. Gavin's research publications have appeared in the *Journal of Finance*, *Journal of Financial and Quantitative Analysis*, *Journal of Econometrics*, and *International Economic Review*. Gavin obtained his Ph.D. and MBA from the University of Chicago in 2017. His research interests include Bayesian statistics, empirical asset pricing, machine learning in finance, and time-varying econometrics.

Deadline: 15/11/2023

The registered audience will be notified of more detailed information via email.

All are welcome!

1 FBA SEMINAR SERIES 083

- Topic: Growing the Efficient Frontier on Panel Trees
- Speaker: Prof. Gavin, Guanhao FENG, Assistant Professor of Business Statistics, City University of Hong Kong
- Date: 17 November 2023 (Friday)
- Time: 10:30 am to 12:00 pm
- Venue: E22-G015
- Host: Prof. Yi DING, Assistant Professor in Business Intelligence and Analytics
- Online registration:
https://umac.au1.qualtrics.com/jfe/form/SV_aftnv5qvqZBFa7k

All academic staff, students, and interested parties are welcome to join!

For more details, please visit:
<https://fba.um.edu.mo/fba-seminar-series-083/>

2 FBA SALON SERIES ON DATA ANALYSIS 006

- Topic: Testing for Equal Average Forecast Accuracy
- Speaker: Prof. Yang ZU, Associate Professor of Economics, Faculty of Social Sciences, UM
- Date: 21 November 2023 (Tuesday)
- Time: 1:00 pm to 2:00 pm
- Venue: FBA Lobby

All academic staff, students, and interested parties are welcome to join!

For more details, please visit:

<https://fba.um.edu.mo/fba-salon-series-on-data-analysis-006/>



FBA
Salon Series on
Data Analysis

Testing for Equal Average Forecast Accuracy

Prof. Yang ZU
Associate Professor of Economics
Faculty of Social Sciences, UM

Date: 21 November 2023 (Tuesday)
Time: 1:00pm to 2:00pm
Venue: FBA Lobby

Classical forecast evaluation tests assuming the performance of candidate forecasts to be constant along time, an assumption might not be satisfied in practical situations. We consider the issue of evaluating forecasts when their forecast performance is possibly varying with time and testing a new concept of average forecast performance equality. We find the classical Diebold and Mariano (1995) test has an asymptotic size of zero and reduced power in such cases. We therefore suggest a simple modified DM statistic which recovers the asymptotic size and power properties associated with the original test in the constant mean case. The new test is applied to evaluate the relative performance between the Survey of Professional Forecasters's forecasts and some commonly used model-based ones.

All are welcome!

www.fba.um.edu.mo



FBA SEMINAR SERIES
- 084

FBA SEMINAR SERIES
AI-Powered Trading, Algorithmic Collusion, and Price Efficiency

Prof. Yan JI
Associate Professor of Finance
Hong Kong University of Science and Technology

Date: 24 November 2023 (Friday)
Time: 15:00 pm to 16:30 pm
Venue: E22-G015
Host: Prof. Alex ZHOU, Associate Professor in Finance
Online registration: https://umac.au1.qualtrics.com/jfe/form/SV_6S5RBHsMYOABo0u

Abstract

The integration of algorithmic trading and reinforcement learning, known as AI-powered trading, has significantly impacted capital markets. This study utilizes a model of imperfect competition among informed speculators with asymmetric information to explore the implications of AI-powered trading strategies on speculators' market power, information rents, price informativeness, and market liquidity. Our results demonstrate that informed AI speculators, even though they are "unaware" of collusion, can autonomously learn to employ collusive trading strategies. These collusive strategies allow them to achieve supra-competitive profits by strategically under-reacting to information, even in the absence of explicit communication or coordination that might breach conventional antitrust regulations. Algorithmic collusion emerges from two distinct mechanisms. The first mechanism is collusion via price-trigger strategies ("artificial intelligence"), while the second stems from learning biases ("artificial stupidity") and homogenization. The former is evident only when there is limited price efficiency and information asymmetry; in contrast, the latter persists even under conditions of high price efficiency or severe information asymmetry. As a result, in a market with prevalent AI-powered trading, both price informativeness and market liquidity can suffer, reflecting the influence of both artificial intelligence and stupidity.

Speaker

Yan Ji is an Associate Professor of Finance at the Hong Kong University of Science and Technology. His main research interests are asset pricing and macro finance. His work has appeared in academic journals such as *Journal of Political Economy*, *Journal of Finance*, *Journal of Financial Economics*, and *Review of Financial Studies*. He obtained his PhD in Economics from MIT.

Register Now!

Deadline: 22/11/2023
The registered audience will be notified of more detailed information via email.

All are welcome!

3 FBA SEMINAR SERIES 084

- Topic: AI-Powered Trading, Algorithmic Collusion, and Price Efficiency
- Speaker: Prof. Yan JI, Associate Professor of Finance, Hong Kong University of Science and Technology
- Date: 24 November 2023 (Friday)
- Time: 15:00 pm to 16:30 pm
- Venue: E22-G015
- Host: Prof. Alex ZHOU, Associate Professor in Finance
- Online registration:
https://umac.au1.qualtrics.com/jfe/form/SV_6S5RBHsMYOABo0u

All academic staff, students, and interested parties are welcome to join!

For more details, please visit:

<https://fba.um.edu.mo/fba-seminar-series-084/>