

VITAE

Contact Telephone : (03) 863 3134
E-mail : kenhung@mail.ndhu.edu.tw
Highest Degree : Ph.D. Business, University of Maryland – College Park
Position : Professor of Finance and Quantitative Methods
Since : July 1994
Areas : Corporate Finance, Investments, Statistics

**Professor Ken
Hung**
Dr. Ken Hung



Mailing Address: Dr. Ken Hung
Department of Finance
National Dong Hwa University
Hualien, Taiwan 97401

Education:

National Taiwan University 1965-1971 BS Animal Sciences
Virginia Tech 1980-1982 MBA Finance
University of Maryland 1982-1986 PhD Business Management

Honors:

Phi Kappa Phi 1984, Omega Rho 1984, Beta Gamma Sigma 1986
The Best MBA Teacher Award, Morgan MBA Association 1987
Dean's Research Award, Western Washington University 1993, 1994
ISI (International Statistical Institute) Elected Member 1996
ABI/Inform Research Board Member 2000

Professional Societies:

American Finance Association, American Statistical Association, Financial Management Association, Decision Science Institute, International Institute of Forecasters, International Statistical Institute.



Research Areas

Corporate Finance, Investments, Statistics

Teaching Experience

Department of Accounting and Finance
Morgan State University 1984-1990 Assistant Professor / Associate Professor

Department of Finance, Marketing, and Decision Sciences
Western Washington University 1990-1994 Associate Professor

Department of Business Administration
National Dong Hwa University 1994-2002 Professor / Founding faculty

Department of Finance
National Dong Hwa University 2002-2008 Professor / Founding Chair

Administrative Experience

MBA/EMBA Coordinator in Accounting and Finance, Morgan State University 1984-1990

Director, International Business Graduate Institute, National Dong Hwa University 1998-2000

Chair, Department of Finance, National Dong Hwa University 2002-2003

Visiting Scholars

College of Business Administration, Yantai University, Shandong, China Aug 2007 to Sep 2007

Guanhua School of Management, Peking University, China August 2005 to September 2005

Dept. of Finance, University of Washington –Seattle August 2003 to January 2004

Dept. of Business Administration, University of Alaska-Anchorage January 2001-August 2001

Dept. of Accounting and Management, University of Maryland-Eastern Shore Jan 2000-June 2000

International Business Experience

Market Representative, Linmark International Ltd. 1972-1973

Founder, Tartan Industries Co. / Titans International Ltd. 1973-1979

Paper Submission: (under review)

1. Paper Title: “ THE APPLICABILITY OF THE IMPLIED VOLATILITY TREE FOR S&P 500 OPTIONS: EVIDENCE FROM THE KERNEL-REGRESSION VOLATILITY SURFACE ” Review of *Quantitative Finance and Accounting*, Paper Number: 08-03 REQU 267.

2. Paper Title: “ The Effect of Net Buying Pressure on Implied Volatility: Empirical Study on Taiwan's Options Market ” *Journal of Empirical Finance* , Ms. Ref. No.: 08-50.

3. Paper Title: "A Critical Evaluation of the Portfolio Performance Indices with Large Sample" *Quantitative Finance*, Manuscript ID: RQUF-2007-0285.

I. Refereed Papers

1. “ Is Volatility Priced ? ” (Yueh-Neng Lin, Ken Hung) *Annals of Economics and Finance*, 9-1, 39-75, 2008. (EconLit, SSCI)
2. “A Concave Quadratic Programming Marketing Strategy Model with Product Life Cycles ” (Paul Kim, Chin W. Yang, Cindy Peng, Ken Hung) *The Advances in Quantitative Analysis of Finance and Accounting*, Vol 6, 15-26, 2008. (FLI)
3. “The Rent-Minimizing Spatial Equilibrium Model with Pollution Taxes on Coal” (Chin W. Yang, Ken Hung), *Review of Business Research*, Vol VI, No. 5, 1-8, 2006.
4. “ Rating, Credit Spread, and Pricing Risky Debt: Empirical Study in Taiwan ’ s Security Market ” (Ken Hung, Chang-Wen Duan, Chin W. Yang), *Annals of Economics and Finance*, page 401-420, 2006. (EconLit)
5. “ Valuation of Timing Option in Futures Contracts and Convenience Yields ” (Chang-Wen Duan, Ken Hung, Qiwen Wang), *Quarterly Journal of Finance*, page 24-53, July 2006. (The

Official Journal for Chinese Finance Association)

6. " THE LE CHÂTELIER PRINCIPLE OF THE CAPITAL MARKET EQUILIBRIUM" (C. W. Yang, Ken Hung, and John A. Fox), *Encyclopedia of Finance*, page 670-674, 2006. (FLI)
7. " COMPARATIVE ANALYSIS OF ZERO-COUPON AND COUPON-PRE-FUNDED BONDS " (A. Linda Beyer, Ken Hung, and Suresh C.Srivastava), *Encyclopedia of Finance*, page 314-323, 2006. (FLI)
8. " A Note on the Relationship among the Portfolio Performance Indices under Rank Transformation " (Ken Hung, Chin W. Yang, Dwight B. Means), *Encyclopedia of Finance*, page 470-476, 2006. (FLI)
9. " The Price Adjustment and Lead-Lag Relations between Stock Returns: Microstructure Evidence from the Taiwan Stock Market " (Chaoshin Chiao, Ken Hung, and C. F. Lee) *Journal of Empirical Finance*, Volume 11, Issue 5, Pages 709-731, 2004. (EconLit, FLI) NSC89-2415-H-259-008
10. "Market Microstructures and the Dynamic Structural Relations between Portfolio Returns in the Taiwan Stock market" (Chaoshin Chiao, Ken Hung, and Suresh Srivastava) *The International Journal of Finance*, Vol 16, 2824-2847, 2004. (FLI)
11. "Lead-Lag Relations between Portfolio Returns under Price Limits", (Chaoshin Chiao, Ken Hung and Suresh C. Srivastava), *Applied Economics Letters*, 11, 313-317, 2004. (SSCI)
12. "Beta Instability of Firms: The Case of Taiwan Stock Market during Its Financial Development" (Chaoshin Chiao, Ken Hung, and Gladson Nwana) *Journal of Emerging Market Finance*, Volume 3, No. 1, 37-62, 2004. (JEL)
13. "Announcement Effects of Specially Designated Dividends" (Ken Hung, Chang-Wen Duan, and Gladson I. Nwana) *Research in Finance*, Volume 20, 185-216, 2003. (Finance Literature Index)
14. "Taiwan stock market and four-moment asset pricing model" (Chaoshin Chiao, Ken Hung and Suresh C. Srivastava) *Journal of International Financial Markets, Institutions and Money*, Volume 13, Issue 4, Pages 355-381, October 2003. (FLI. EconLit) NSC90-2415-H-259-005
15. "A note on the Markowitz risk minimization and the Sharpe angle maximization models" (C.W. Yang, K. Hung and F.A. Yang) *Advances in Investment Analysis and Portfolio Management*, Volume 9, JAI Press, December, 2002, pp. 21-29. JEL(Journal of Economic Literature), FLI or FinLit (Finance Literature Index) NSC91-2416-H-259-013
16. "Stock Dividend Announcement and Information Signaling Theory: The Case of Taiwan," (Ken Hung, Chang-Wen Duan, and Yang-Tzong Tsay) *International Journal of Accounting Literature*, Volume 2, No. 1-4, December, 2002, pp.35-55. JEL(Journal of Economic Literature) NSC89-2416-H-259-023
17. "Market Liberalization and Exchange-Rate Exposure: The Case of Taiwanese Exporting Firms," (joint with Chaoshin Chiao and Gladson I. Nwana,) *Economia Internazionale*, Vol. LIV No. 2, Page 137-162, 2001. (EconLit)
18. "Government Policy, Exchange-Rate Fluctuations & Firms Exposure," (joint with

Chaoshin Chiao and Gladson I. Nwanna), *Competitiveness Review*, 11, 40-52, 2001. (ABI/Inform)

19. " Exchange Rate Exposure of Taiwanese Exporting Firms:, (Hung, Ken and Chaoshin Chiao) *Review of Pacific Basin Financial Markets and Policies*, Vol. 3, No. 2, Page 201-234, June 2000. (EconLit) NSC89-2415-H-259-002

20. "Toward Asian Pacific Financial Centers: A Comparative Study of Financial Developments in Taiwan, Hong Kong, and Singapore," (Hung, Ken and David Cheng) *Review of Pacific Basin Financial Markets and Policies*, Vol 2 No. 1, page 28-53, March 1999. (EconLit) NSC87-2415-H-259-001

21. Hung, Ken, Frank B. Alt and Lap-Ming Wun "Chapter 19 Time Series Analysis," *Handbook of Statistical Methods for Engineers and Scientists*, McGraw-Hill Publishing Company, New York, edited by Harrison M. Wadsworth, 1998, 19.1-19.35.

22. Hung, Ken, "A Comparison of Two Large Sample Confidence Intervals for A Proportion," *Journal of Applied Statistics*, Vol. 24, No. 1, pp.77-83, 1997, Journals Oxford Ltd. (SSCI-Quantitative Methods)

23. Hung, Ken and Yang-Tzong Tsay "Foreign Exchange Rate Forecasts Using Vector Autoregressive Moving Average Models," *Advances in Quantitative Analysis of Finance and Accounting*, Vol. 4, pp.239-261, 1996, JAI Press. (FLI)

24. Hung, Ken and Frank B. Alt "The Approximation of the One-Step Ahead Forecast Error Covariance for Vector ARMA Models," *International Journal of Forecasting*, Vol. 10, pp.59-64, 1994. (SSCI- Management)

25. Hung, Ken and Yang-Tzong Tsay "An Intervention Analysis for the Relationship Between Capital Expenditure Decisions and the Market Value of Firms," *Review of Quantitative Finance and Accounting*, Vol. 4 ,No. 2, pp.199-211, 1994. (FLI)

26. Hung, Ken, S. Kotz and Q. Wang "Interrelations Among Various Definitions of Bivariate Positive Dependence," *Topics in Statistical Dependence (Volume 16, Institute of Mathematical Statistics Lecture Notes - Monograph Series)*, pp.333-349, 1991. (Statistics Abstract)

27. Hung, Ken, "Modeling Exchange Rates: Box-Tiao's ARMA Approach," *Collection of Theses on Capital Market Theory and Practice*, College of Management, National Taiwan University, pp.183-227, 1990.

28. Hung, Ken "Simulation Study on Variance of Forecast Error for Vector ARIMA Models," *Communications in Statistics: Simulation and Computation*, B19, 1, pp.125-144, 1990. (SSCI-Quantitative Methods)

29. Hung, Ken and Frank B. Alt "The Effect of Misspecification in Vector Autoregressive Moving Average Models on Parameter Estimation and Forecasting," *Communications in Statistics: Simulation and Computation*, B18, 2, pp.467-479, 1989. (SSCI-Quantitative Methods)

30. Hung, Ken and Lap-Ming Wun "A Note on the Distribution of Mean Square Error of Forecasting," *Communications in Statistics: Theory, and Methods*, AI 7, 6,

II : Refereed Proceedings

Yueh-Neng Lin, Ken Hung, Suresh C Srivastava, "The Implied Volatility Tree and the Kernel-Regression Volatility Surface for S&P 500 Options", FMA – Salt Lake City, 2006.

Yueh-Neng Lin, Ken Hung, Suresh C Srivastava, "Is Stock Market Volatility Priced?" FMA – Salt Lake City, 2006.

1. Hung, Ken and Chin W. Yang, 2006, "A Critical Evaluation of the Portfolio Performance Indices with Large Sample", Journal of Banking and Finance 30th Anniversary Conference, June 6-8, Beijing, China.
2. Lin, Y. and Hung, K., 2005, Volatility risk premiums embedded in S&P 500 index returns, FMA European Conference, 8-11 June in Siena, Italy.
3. Lin, Y. and Hung, K., 2005, Volatility risk premiums embedded in S&P 500 index returns, WDSI (Western Decision Science Institute) Proceedings. (NSC-93-2416-H-259-018)
4. Lin, Y. and Hung, K., 2004, Pricing S&P 500 options using the implied volatility tree: Evidence from the kernel-regression volatility surface, Financial Engineering and Applications Proceedings, November, ACTA (A Scientific and Technical Publishing Company) Press Series. (NSC-90-2416-H-259-002)
5. "Optimal Sector Allocation Using VaR Criterion: Application to Taiwan Stock Market" Academy of Financial Services 2004 Annual Meeting, New Orleans, Louisiana, October 6 – 7, 2004.
6. " Rating, Credit Spread, and Pricing Risky Debt: Empirical Study on Taiwan ' s Security Market " Pan-Pacific Business Association XXI, Anchorage, Alaska, May 26 - 28, 2004.
7. "Effect of Combining Corporate and Personal Income Taxes on Capital Structure Decisions: Evidence from Taiwan Market" The Midwest Finance Association 53rd Annual Meeting, Chicago, Illinois, March 18 - 20, 2004.
8. "Market Microstructure and Lead-Lag Relations in Taiwan Stock Market ", 2003 FMA Annual Meeting, Denver, Colorado, October 8-11, 2003.
9. "THE EFFECT OF MERGER ACTIVITIES ON THE CREDIT RATING & PERFORMANCE OF SECURITY FIRMS", *Western Decision Sciences Institute 32nd Annual Meetings*, Kauai, Hawaii, April 15-19, 2003.
10. "Determinants of Corporate Earnings Forecast Accuracy", *Decision Sciences Institute 33rd Annual Meetings*, San Diego, California, November 23-26, 2002.
11. "Comparison of Management and Analysts' Corporate Earnings Forecast" *Academy of Financial Services Annual Meetings*, San Antonio, Texas, October 15-16, 2002.
12. "Stock Dividend Announcement and Information Signaling Theory" Global Finance Conference 9th Annual Meeting, Beijing, China, May 27-29, 2002.

13. "Market Size-Based Portfolio Returns", *Western Decision Sciences Institute 31st Annual Meetings*, San Diego, California, April 2-5, 2002 .
14. "The pricing of skewness and kurtosis of Taiwanese stocks", *9th Conference on Pacific Basin Finance, Economics and Accounting*, Rutgers, New Jersey, September 2001.
15. "Own- and cross-autocorrelation and contemporaneous correlation of size-based portfolio returns in the Taiwan stock market", *8th Conference on Pacific Basin Finance, Economics and Accounting*, Bangkok, Thailand, June 2000.
16. "Exchange-rate exposure of Taiwanese exporting firms", *7th Conference on Pacific Basin Finance, Economics and Accounting*, Taipei, Taiwan, May 1999.
17. "An Empirical Study on the Investment Risk of the Taiwanese Stock Market" (with David Cheng, Mike Wu, and Eric Chen), *Proceedings of the 29th Symposium on the Interface: Computing Science and Statistics*, Houston, Texas, 1997.
18. "Optimal Hedge Ratios for Standard and Poor 500 Stock Index Futures I: Hedge Duration and Hedging Effectiveness" (with Sheng The Wu), *Proceedings of 4th JAFEE International Conference on Investments and Derivatives (JIC 97)*, Tokyo, Japan, 1997.
19. "Optimal Hedge Ratios for Standard and Poor 500 Stock Index Futures :Estimation Lengths, Hedge Ratio Stability and OLS Assumptions" (with Sheng The Wu), *ACME Transactions*, Las Vegas, Nevada, 1997.
20. "A linear programming formulation and decision makers' computer interface for the furniture manufacturing process," *Proceedings of ACME IV International Conference*, August 5-7, 1994.
21. "Time series forecasts of county non-agricultural employment levels," *Western Decision Science institute 1994 Proceedings*, 232-235, 1994. (with David Merrifield)
22. "The effect of pooling uncorrelated time series on forecasting," *Southeastern Chapter of The Institute of Management Sciences 1993 Proceedings*, 314-316, 1993. (with Gladson Nwanna)
23. "Statistical Computation using GAUSS: examples in process capability research," *24th Symposium on the Interface between Computing Science and Statistics Proceedings*, 117-120, 1992. (with Daniel Hagen)
24. "Vector ARMA modeling: an expository review," *Western Decision Science Institute 1992 Proceedings*, 677-697, 1992.

III : Books

800 pages Chinese Translation of *Foundations of Financial Management* by Lee, Finnerty and Norton, 1997, West Publishing, printed by Tsang Hai Book Co. Taichung, 2002 Fall.

IV : Research Projects

| | | | | |
|-------------|--|----------|-----------|-----|
| 2007-2008 | MULTI RISK-PREMIA MODEL OF BANK STOCK RETURNS:AN INTEGRATION OF CAPM AND APT | Ken Hung | \$120,000 | NSC |
| 2006-2007 | The Effect of Mathematics and Economics on Undergraduate Performance in Financial Management | Ken Hung | \$120,000 | NSC |
| 2004-2005 | THE LUMP SUM TAX OF THE RATE-OF-RETURN REGULATED MONOPOLY MODEL (NSC93) | Ken Hung | \$120,000 | NSC |
| 2003-2004 | The Valuation of Joint Option for Commodity Futures. (NSC92-2416-H-259-009) | Ken Hung | \$404,000 | NSC |
| 2005-2006 | The Relationship among the Portfolio Performance Indices (NSC94) | Ken Hung | \$120,000 | NSC |
| 2002 - 2003 | Markowitz Risk Minimization and The Sharpe Angle Maximization Models. (NSC91-2416-H-259-013) | Ken Hung | \$120,000 | NSC |
| 2001 - 2002 | The pricing of default risk for the listed firms in Taiwan (NSC90-2416-H-259-01) | Ken Hung | \$338,000 | NSC |



TEACHING

V : Courses Taught

| | |
|------------------------|--|
| 2005-2008 | Corporate Finance, Investments, Finance Cases, International Finance |
| 2004-2005 2003-2004 | Corporate Finance, Investments, Finance Cases, International Finance |
| 2002-2003 | Corporate Finance, Finance Software |
| 2001-2002 | Corporate Finance, Investments, Financial Management |

VI : Graduate Students Supervised

| | Master | Doctorate | Graduate MBA | PhD |
|-----------|--------|-----------|-----------------|-----|
| 2006-2008 | 10 | 2 | 10 | |
| 2004-2006 | 1 | 2 | 1 | |
| 2003-2004 | 1 | | 1 | |
| 2002-2003 | 6 | | 6 | |
| 2001-2002 | 3 | | 3 | |



SERVUCE

VII : Committee Service

| | | Committee |
|-----------|----------------|---|
| 2004-2008 | University | Research Award Committee, R and D Committee |
| 2004-2007 | Department | Teaching Evaluation and Faculty Promotion |
| 2003-2004 | Department | Teaching Evaluation and Faculty Promotion |
| 2002-2003 | College / Dept | Teaching Evaluation and Faculty Promotion |
| 2001-2002 | College / Dept | Teaching Evaluation and Faculty Promotion |

VIII : Professional Service

| | |
|-----------|------------------------------------|
| 2004-2008 | Referee, Discussant, Session Chair |
| 2003-2004 | Referee, Discussant, Session Chair |
| 2002-2003 | Referee, Discussant, Session Chair |
| 2001-2002 | Referee, Discussant, Session Chair |



AWARDS

IX : Awards

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|-----------|-----------|--|
| 2004-2008 | NSC | Research Awards, Research Stipends |
| 2003-2004 | NDHU, NSC | Visiting Scholar, Dept. of Finance, UW-Seattle |
| 2002-2003 | NSC | Research Stipends |
| 2000-2002 | NSC | Research Stipends |

| 計畫年度 | 姓名 | 執行機關名稱 | 計畫名稱 |
|------|----|--------------|--|
| 96 | 洪坤 | 國立東華大學財務金融學系 | 銀行金融股報酬率的多風險貼水模型的探討 成果報告：暫不公開 執行起迄：20070801~20080731 核定金額：120,000 元 |

| | | | |
|----|----|------------------|---|
| 95 | 洪坤 | 國立東華大學財務金融學系 | 數學及經濟學對大學生財務管理一科成績的影響 成果報告： 952416H259025.pdf 執行起迄：20060801~20070731 核定金額：120,000 元 |
| 94 | 洪坤 | 國立東華大學財務金融學系 | 各種投資組合績效評估指數之間的關係 成果報告： 942416H259024.pdf 執行起迄：20050801~20060731 核定金額：120,000 元 |
| 93 | 洪坤 | 國立東華大學財務金融學系 | 各種課稅對壟斷公用事業的影響 成果報告： 932416H259009.pdf 執行起迄：20040801~20050731 核定金額：120,000 元 |
| 92 | 洪坤 | 國立東華大學財務金融學系 | 農產品期貨定價與評價 成果報告： 922416H259009.pdf 執行起迄：20030801~20040731 核定金額：404,000 元 |
| 91 | 洪坤 | 國立東華大學企業管理學系暨研究所 | Markowitz Risk Minimization and The Sharpe Angle Maximization Models 成果報告： 912416H259013.pdf 執行起迄：20020801~20030731 核定金額：120,000 元 |
| 90 | 洪坤 | 國立東華大學企業管理學系暨研究所 | 臺灣上市公司違約風險之評價研究--以價平理論與風險價值評估 成果報告： 902416H259001.pdf 執行起迄：20010801~20020731 核定金額：338,000 元 |
| 89 | 洪坤 | 國立東華大學企業管理學系暨研究所 | 股利宣告效果之研究 成果報告： 892416H259023.pdf 執行起迄：20000801~20010731 核定金額：321,100 元 |

| 學年度 | 姓名 | 服務單位 | 期別 | 獎勵類別 | 處室 | 代表作名稱 | 學門專長 |
|-----|----|------------------|-------|------|----|--|---------|
| 84 | 洪坤 | 國立東華大學企業管理研究所 | 第 1 期 | 甲種 | 人文 | The approximation of the one-step ahead forecast error covariance for vector ARMA models | 資訊管理 |
| 85 | 洪坤 | 國立東華大學企業管理學系暨研究所 | 第 1 期 | 甲種 | 人文 | Foreign exchange rate forecasts using vector autoregressive moving average models | 會計 |
| 86 | 洪坤 | 國立東華大學企業管理研究所 | 第 1 期 | 甲種 | 人文 | A comparison of two large sample confidence intervals for a proportion:A Monte Carlo Simulation | 生產及作業管理 |
| 89 | 洪坤 | 國立東華大學企業管理學系暨研究所 | 第 1 期 | 甲種 | 人文 | Toward Asian Pacific Financial Centers: A Comparative Study of Financial Developments in Taiwan, Hong Kong and Singapore | 管理學 |