

# Tony (Yang Ha) Cho

44 W 4<sup>th</sup> St. 10-185  
New York, NY 10012

October 2022  
yhc479@stern.nyu.edu  
+1 617 794 6362

---

New York University, Stern School of Business Doctor of Philosophy – Accounting	2023 Expected
Baruch College, Zicklin School of Business Master of Science – Accountancy	2016-2018
Swarthmore College Bachelor of Arts – Economics	2010-2014

## RESEARCH INTERESTS

---

My research primarily lies at an intersection of (1) examining non-traditional data to explore its informativeness, the nature of firm disclosure, and its impact on investors' decision-making process, and (2) leveraging machine learning models to overcome empirical challenges.

## RESEARCH

---

Predicting Future Earnings Changes Using Machine Learning and Detailed Financial Data  
(with Xi Chen, Yiwei Dou, and Baruch Lev)

- *Presented at 2021 Journal of Accounting Research Conference*

- *Journal of Accounting Research, 2022*

*Abstract:* We use machine learning methods and high-dimensional detailed financial data to predict the direction of one-year-ahead earnings changes. Our models show significant out-of-sample predictive power: the area under the receiver operating characteristics curve ranges from 67.52% to 68.66%, significantly higher than the 50% of a random guess. The annual size-adjusted returns to hedge portfolios formed based on the prediction of our models range from 5.02% to 9.74%. Our models outperform two conventional models that use logistic regressions and small sets of accounting variables, and professional analysts' forecasts. Analyses suggest that the outperformance relative to the conventional models stems from both nonlinear predictor interactions missed by regressions and the use of more detailed financial data by machine learning.

Misrepresentation of Future Sustainability Performance (*Job market paper*)

*Abstract:* I examine the extent to which firms misrepresent their future sustainability. I use a state-of-the-art natural language processing model that captures contextual information of text to measure cross-sectional variation in the misrepresentation in the forward-looking disclosure of sustainability performance. I validate the measure by associating it with future private litigations on sustainability misrepresentation. I examine the capital market implications of sustainability misrepresentation. Buy-and-hold abnormal returns are initially significant for misrepresenting firms; however, they become statistically insignificant in the long-run. Similarly, sustainability-oriented

investors initially acquire more shares of misrepresenting firms but do not own any more shares of misrepresenting firms in the long-run. I find that investor reactions are more pronounced for misrepresentation of financially material and social performance. I compare the machine learning model's performance to a bag-of-words approach. The bag-of-words approach is unable to capture the capital market implications of sustainability misrepresentation and has a significantly lower explanatory power. Collectively, offering a new method to measure the extent of sustainability misrepresentation, I find evidence consistent with sustainability misrepresentation temporarily misleading investors.

Artificial Intelligence Investment (*Work in progress*)  
Co-authored with Yiwei Dou and Laura Li

#### **HONORS AND AWARDS**

---

Marcus Nadler Fellowship	2022-2023
NYU Stern Doctoral Fellowship	2018-2022
Award for Excellence in Public Service	2016
<i>- Awarded by the Military Affairs Commission of South Korea</i>	

#### **ACADEMIC SERVICE**

---

Ad hoc reviewer – European Accounting Association

#### **TEACHING EXPERIENCE**

---

Principles of Financial Accounting (Undergraduate)	2021 Summer
<i>Average rating 4.7/5.0</i>	
<i>Teaching commendation from Academic Director of Doctoral Education</i>	
Others:	
Principles of Financial Accounting (Executive MBA)	2021 Spring, 2021 Fall
TA for Ilan Guttman	
Data Analysis & Management (Undergraduate)	2019 Summer
TA for Yiwei Dou	

#### **PRESENTATIONS AND CONFERENCE PARTICIPATION**

---

Emerging Scholars in Accounting Conference (2022)  
Washington University in St. Louis Accounting Research Conference (2022)  
Journal of Accounting Research Conference (2021)  
London Business School Trans-Atlantic Doctoral Conference (2021)  
Accounting and Economics Society Summer School (2020, 2021)  
AAA Annual Meeting (2021)  
Columbia Burton Accounting Conference (2019, 2021)  
FARS Midyear Meeting (2019)  
NYU Accounting Workshop (2019, 2022)  
NYU Accounting Summer Camp (2019, 2022)