

National Chengchi University
Department of Accounting
Ph.D. Qualifying Exam- Financial Accounting
October 29, 2003

PART 2

2-1: (30 分)

Studies on earnings response coefficients (ERCs):

- a. (5%) As a literature review, what kind of ERCs studies you have learned?
- b. (5%) In designing a research on ERCs, what kind of factors you should consider or control and how can you do?
- c. (5%) How the pooled estimation method applied to ERCs studies may lead to incorrect inferences?
- d. (15%) State and prove the way you may correct the bias caused by pooled estimation without adopting the firm-specific regression in empirical research.

2-2: (20 分)

Ohlson's valuation model:

- a. (5%) How do you assess the residual income valuation model?
- b. (5%) What limitations the application of Ohlson model may have?
- c. (10%) Can you apply Ohlson model to conduct the research of Sloan (1996) entitled "Do stock prices fully reflect information in accruals and cash flows about future earnings?"