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Personal Information
Citizenship: China
Date of Birth: 22 October 1986

Education:

Master of Research in Economics, **Universitat Pompeu Fabra**, 2012-2013
Master of Science in Economics, **Barcelona Graduate School of Economics**, 2011-2012
Master of Science in Economics, **Fudan University**, 2008-2011
Bachelor of Science in Information Management and Information Systems, **Nanjing University of Posts and Telecommunications**, 2004-2008

Graduate Studies:

Universitat Pompeu Fabra, Spain
PhD Candidate in Economics, 2013 to present
Expected Completion Date: June 2018

References:

Professor Albert Banal-Estañol
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Research Fields: Banking, Macro-Finance, Corporate Finance, Corporate Governance

Teaching Fields: Banking, Corporate Finance, Financial Economics, Microeconomics

Teaching Experience:

2017	Banking Theory (Graduate), Universitat Pompeu Fabra, teaching fellow for Professor Xavier Freixas
2017	Financial Economics (Undergraduate), Universitat Pompeu Fabra, teaching fellow for Professor Javier Gil-Bazo
2016	Corporate Finance Theory (Graduate), Universitat Pompeu Fabra, teaching fellow for Professor Albert Banal-Estañol
2015	Derived Products and Markets (Undergraduate), Universitat Pompeu Fabra, teaching fellow for Professor Xavier Freixas
2015	Advanced Microeconomics III (Graduate), Universitat Pompeu Fabra, teaching fellow for Professor Stephen Hansen
2014	Financial Management I (Undergraduate), Universitat Pompeu Fabra, teaching fellow for Professor Andrea Polo
2013-2016	Financial Management II (Undergraduate), Universitat Pompeu Fabra, teaching fellow for Professor Albert Banal-Estañol
2013	Advanced Microeconomics II (Graduate), Universitat Pompeu Fabra, teaching fellow for Professor Stephen Hansen and Professor Rosa Ferrer
2013	Economics of Information (Undergraduate), Universitat Pompeu Fabra, teaching fellow for Professor Joan de Marti

Professional Activities:

Conferences and Seminars

2017	European Winter Meeting of the Econometric Society, Barcelona, scheduled
2017	42nd Simposio of the Spanish Economic Association, Barcelona, scheduled
2017	87th Southern Economic Association Annual Meeting, Tampa, scheduled
2017	5th Workshop in Macro Banking and Finance, Milan, speaker
2017	Yale Young Economists Symposium, New Haven, presented by coauthor
2017	4th Belgrade Young Economists Conference, Belgrade, speaker
2017	Barcelona GSE PhD Jamboree, Barcelona, speaker
2017	25th Finance Forum, Barcelona, discussant
2017	UPF Finance Lunch Seminar, speaker

Honors, Scholarships, and Fellowships:

2017	Grant awarded by the Fundación Ramón Areces, 42nd Simposio of the Spanish Economic Association
2017	Travel grant from the UniCredit and Universities Foundation, Belgrade Young Economists Conference
2012-present	Teaching Assistant Scholarship, Universitat Pompeu Fabra
2006	First Prize in China Undergraduate Mathematical Contest in Modeling
2004	First Class Scholarship, NJUPT

Language and Programming Skills:

Languages	Chinese (Mother Tongue), English (Fluent)
Programming	Stata, Matlab, Latex

Research Papers:

"A Model of Bank Credit Cycles" (with Tong Xu) - **Job Market Paper**

This paper develops a model of financial intermediation in which the dynamic interaction between regulator supervision and banks' loophole innovation generates credit cycles. In the model, banks' leverages are constrained due to a risk-shifting problem. The regulator supervises the banks to ease this moral hazard problem, and its expertise in supervision improves gradually through learning-by-doing. At the same time, banks can engage in loophole innovation to circumvent supervision, which acts as an endogenous opposing force diminishing the value of the regulator's accumulated expertise. In equilibrium, banks' leverage and loophole innovation move together with the regulator's supervision ability. Our model generates pro-cyclical bank leverage and asymmetric credit cycles. We show that a crisis is more likely to occur and the consequences are more severe after a longer boom. In addition, we investigate the welfare implications of a maximum leverage ratio in the environment of loophole innovation.

"Asset Encumbrance and Bank Risk: Theory and Evidence" (with Albert Banal-Estañol, Enrique Benito and Dmitry Kametshin)

Asset encumbrance refers to the existence of bank balance sheet assets being subject to arrangements that restrict the bank's ability to freely transfer or realize them. Asset encumbrance has recently become a much-discussed subject and policymakers have been actively addressing what some consider to be excessive levels of encumbrance. Despite its importance, the phenomenon remains poorly understood. We provide a simple theoretical model that highlights the implications of asset encumbrance for financial stability. We show that the effect of encumbrance depends on rates of over-collateralization faced by the banks. With low haircuts, asset encumbrance is negatively associated with bank credit risks as secured funding minimizes bank's exposure to liquidity shocks. With high haircuts, encumbrance can exacerbate liquidity risks due to structural subordination effect and, hence, can be positively associated with bank credit risk premiums. We next use a hand-collected dataset on the levels of asset encumbrance of European banks and provide further empirical evidence supporting the predictions of the model.

"Loan sales and Bank Moral Hazard"

This paper re-examines the classical issue of loan sales and banks' moral hazard by highlighting the role of banks' bankruptcy risk. In the model, banks finance their loan portfolios by issuing risky debt. Due to limited liability, banks are subject to a risk-shifting problem which leads to the under-provision of screening effort. Banks may sell loans to transfer non-diversifiable credit risk. On the one hand, loan sales reduce banks' skin in the game, thus diluting their screening incentives. On the other hand, loan sales lower banks' bankruptcy risk, alleviating the risk-shifting problem. The sign and the magnitude of the effect of loan sales on banks' moral hazard depend crucially on the relative weights of these two opposing effects. When a bank's bankruptcy risk is high, the positive risk-shifting reduction effect of loan sales dominates the negative incentive-dilution effect, thus loan sales might curb rather than exacerbate the bank's moral hazard problem. The results extend to the case in which there is strategic adverse selection of loan sales. We study various extensions of the model.

"Managerial Career Concerns, Project Choice and Board Expertise"

This paper studies the optimal level of board expertise in a model with managerial career concerns. The manager of a firm chooses between undertaking a risky project or maintaining the status quo. Reputation concerns lead the manager to take on excessively risky projects even if this is against the shareholder's interest. The board can evaluate the risky project, and cancel it if unfavorable interim news is received. A key result is that firm value is not necessarily enhanced when board expertise in evaluating risky projects improves. On the one hand, with greater expertise, the board is more likely to cancel a bad risky project. On the other hand, board expertise may also exacerbate a manager's career concern problem by over-protecting the manager from the pecuniary losses of risky project. Our results are consistent with the empirical literature that documents ambiguous effect of board expertise on firm value.

Research Papers in Progress:

"The Rise and Fall of Shadow Banking" (with Tong Xu)

We build a macro-finance model to explain the rise and fall of the shadow banking sector. In normal times, market discipline on the shadow banks improves because investors accumulate expertise through learning, which leads to an expansion of the shadow banking sector. However, the high leverage associated with better market discipline provides greater incentives for the shadow banks to conduct loophole innovation, which generates systemic risks and leads to the collapse of the shadow banking sector. Our model captures the pro-cyclical size of the shadow banking sector, deteriorating loan quality in boom periods, higher probability of crises after longer booms, and slow recovery following a crises.