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Curriculum Vitae

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Fields of Concentration:
Primary Field: Macroeconomics, International Finance, and Monetary Policy
Secondary Field: International Trade

Desired Teaching:
Macroeconomics, International Finance, Monetary Economics

Comprehensive Examinations Completed:
2013 (Oral): Macroeconomics and International Economics
2012 (Written): Microeconomics and Macroeconomics

Dissertation Title: *The International Transmission of Unconventional Monetary Policy*

Committee:
Professor John Geanakoplos
Professor Michael Woodford
Professor Stephen Roach
Professor William Brainard

Expected Completion Date: May 2017

Degrees:
Ph.D., Economics, Yale University, 2017 (expected)
M.Phil., Economics, Yale University, 2015
M.A., Economics, Yale University, 2014
B.A., Mathematics and Economics, UC Berkeley, 2012

Fellowships, Honors and Awards:

Fellowship: Overbrook Research Fellowship 2015-2016
Fellowship: Pacific Trade and Development Conference Young Fellow 2015
Fellowship: Cowles Foundation Fellowship, Yale University 2012-2017
Phi Beta Kappa Society 2012

Teaching Experience:

Financial Markets (Instructor: Robert Shiller) 2016
Behavioral and Institutional Economics (Instructor: Robert Shiller) 2015
Intermediate Macroeconomics (Instructor: William Nordhaus) 2015
Introductory Macroeconomics (Instructor: Ray Fair) 2014

Research and Work Experience:

People's Bank of China, Summer Internship 2016
IMF, Fund Internship Program 2015
Research Assistant to Stephen Roach, Yale Jackson Institute for International Affairs 2014-2016
Summer Analyst, China Construction Bank 2012

Working Papers:

"Collateral Constraints, Unconventional Monetary Policy and Financial Spillovers", (September 2016), Job Market Paper

"Central Bank Unwind and Implications for Emerging Markets" (September 2016), with Manmohan Singh (IMF)

"Market Sensitivity to Global Financial Cycle: International Evidence and Implications for China's Capital Account Liberalization" (July 2015) Pacific and Trade Development Working Paper Series YF37-01

Seminar and Conference Presentations:

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Dissertation Abstract

Unconventional monetary tools such as quantitative easing (QE) have brought about unprecedented changes to the international financial landscape. Despite abundant empirical research, the economic foundations behind QE's international transmission have remained relatively obscure due to the lack of theoretical work. This dissertation contributes to the literature by developing a framework to study potential channels of QE's international transmission. I propose a model that rationalizes important stylized facts of QE, and analyze viable policy options for emerging market economies to mitigate the financial spillovers associated with QE.

Collateral Constraints, Unconventional Monetary Policy and Financial Spillovers [Job Market Paper]

The steady application of Quantitative Easing (QE) has been followed by big and non-monotonic effects on international asset prices and international capital flows. These are difficult to explain in conventional models, but arise naturally in a model with collateral. This paper develops a general-equilibrium framework to study QE's international transmission involving an advanced economy (AE) and an emerging market economy (EM) whose assets have less collateral value.

The model offers a simultaneous interpretation of the following four empirical facts (based on QE episodes in the United States). First, Fed's early purchases of long-term Treasury securities led to a decline in long-term Treasury yield and term premium, but continued purchases were conversely accompanied by an increase in long-term yield and term premium. Second, and similarly, yield spread between EMs and the U.S. widened during Fed's early purchases, but narrowed subsequently with continued purchases. Third, during QE, financial and non-financial organizations in the U.S. responded very differently in their international portfolio shifts. Last, but not least, foreign demand for U.S. Treasury securities remained strong in response to QE.

I analytically characterize three different types of portfolio adjustments (of AE agents) that rationalize these facts. First, fully leveraged AE agents partially undo QE, selling some of the AE assets that the AE central bank buys. Second, partially leveraged AE agents more than undo QE by (i) selling more AE assets than the AE central bank buys and (ii) buying EM assets that offer a higher rate of return. Third, unleveraged AE agents accommodate QE by (i) selling their existing share of EM assets and (ii) absorbing the increased supply of riskless central bank reserves. Such portfolio shifts of international assets can diminish or even reverse the effectiveness of ever-larger QE interventions on asset prices.

Central Bank Balance Sheet Unwind and Implication for Emerging Markets (with Manmohan Singh)

This paper presents a theoretical model that shows that in the near future monetary policy of some key AE central banks will have two dimensions - changes in short-term policy rates as well as balance sheet adjustment. This will affect EMs, especially those that are pegged or quasi-pegged to AEs, as many of these EMs can only deploy a single monetary tool, i.e., changes in policy rates, in response to international spillovers. We show that changes in policy rates and balance sheet adjustment in AEs differ in their respective financial spillovers to EMs, making it difficult for EMs to mitigate potential spillovers with the single monetary policy tool. We provide some suggestions on additional policy options (e.g., capital flow management and macro-prudential instruments) to complement EMs' monetary toolkit. We also discuss how balance sheet adjustment that affect long-term interest rates may percolate to influence short-term market interest rates via financial plumbing.

Market Sensitivity to Global Financial Cycle: International Evidence and Implication for China's Capital Account Liberalization

Global financial integration led to increasing co-movement across different cross-border capital flows and asset prices, the so-called "global financial cycle". China however, has been relatively insulated from the global financial cycle, partly due to existing restrictions on its capital account. In this paper, I investigate potential determinants of market sensitivity (for both stock market and currency market) to the global financial cycle, and study its implications for China's move toward capital account liberalization. I show that there is an important distinction between cross-sectional and inter-temporal determinants of market sensitivity. The empirical findings also point to the presence of non-linearity in global risk aversion, as represented by the "VIX", in explaining global asset prices. Somewhat counter-intuitively, I demonstrate through an empirical exercise that greater sensitivity to the global financial cycle would actually imply lower market volatility in China. This suggests that greater exposure to the global market may not necessarily contribute to higher market volatility in China.