Zhenghua QI

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EDUCATION

08/2019 – Now **The Hong Kong University of Science and Technology**
PhD in Economics

08/2018 – 06/2019 **London School of Economics and Political Science**
MSc in Finance and Economics
With distinction, full scholarship

09/2015 – 06/2018 **Shandong University**
BEc in Finance

09/2014 – 09/2015 **Shandong University**
BEng in Environmental Engineering

RESEARCH

"Diagnostic Expectations in Housing Price Dynamics"
MPhil Thesis

Abstract: Using the Survey of Consumer Expectations, I find predictability of forecast error on forecast in housing price growth rate. Overestimation is followed by disappointment in housing market. To resolve the predictability without rational expectation (RE), I introduce the diagnostic expectation (DE) into a two-agent New Keynesian framework to understand the role played by overoptimism induced by DE in affecting housing price dynamics and the business cycles. Firstly, the DE significantly outperforms RE in affecting the responses of housing price, consumption, output, and other macroeconomic variables to TFP shock in magnitude and persistency. The DE plays significant role in affecting both the extensive margin and intensive margin of housing market. Secondly, the DE is able to generate positive residential housing value share response that is consistent with data. The main mechanism comes from the strengthened income effect and consumption smoothing under overreaction. Thirdly, the monetary policy rule matters in influencing the mechanisms generated by DE and this laid foundation for future discussion on policy implication.

AWARDS

08/2019 Postgraduate Studentship from the Hong Kong University of Science and Technology
05/2018 Fully Sponsored by the China Scholarship Council for Postgraduate Study
11/2015 China National Scholarship for Undergraduate Students
10/2015 Tier 1 Merit Scholarship of Shandong University
10/2016 Shandong Province First Prize in China Undergraduate Mathematical Contest in Modelling

SKILLS AND LANGUAGES

Technical Skills: R, MATLAB, Stata, SPSS, EViews
Languages: Mandarin (Native), English