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EDUCATION	University of Illinois at Urbana-Champaign Ph.D. candidate, Finance M.S., Finance (with honor)	2027 (Expected) 2019
	Jilin University, China B.A., Economics	2018
RESEARCH INTERESTS	Macro-Finance, Asset Pricing, Monetary Policy	
JOB MARKET PAPER	A Macro-Finance Model of Capital Reallocation and Misallocation This paper develops a general equilibrium model with heterogeneous investors facing financial frictions to study capital allocation and misallocation. While firms with different risk exposures respond optimally to sectoral shocks, the limited borrowing capacity of risk-tolerant intermediaries impedes efficient capital reallocation across sectors, which renders the misallocation persistent following transitory shocks. Together with the balance sheet channel of intermediaries, capital misallocation acts as another source of systematic risk that investors share among each other. The two channels operate through a feedback loop: negative sectoral shocks decrease the wealth of intermediaries and set the stage for misallocation by elevating risk premia and volatility. The resulting binding financial frictions lead to misallocation, lower aggregate productivity and asset prices, thus further deteriorating intermediaries' balance sheets and capital reallocation. The model shows that the 'flight-to-safety' motive can endogenously create economic instability under frictions.	
WORKING PAPERS	The Equity Constraint Channel of Monetary Policy <i>SSRN</i> (with Heitor Almeida, Timothy Johnson, Sebastiao Oliveira) <i>Selected Presentation: WFA 2025, MFA 2025, SFA 2024, FMA 2024</i> We use a measure of financial constraint that distinguishes between a company's emphasis on equity versus debt financing to show that equity-focused constrained firms endure larger declines in stock prices and implement deeper cuts in investments when faced with contractionary monetary policy shocks. Equity-focused constrained firms reduce equity issuance and are more reluctant to run down cash holdings in response to tighter monetary policy. Contractionary shocks reduce investor demand for the equity of constrained firms, increasing their cost of capital. Our findings suggest that equity frictions are the main determinant of the transmission of monetary policy to the corporate sector.	
	Pricing Risks in Tangible and Intangible Capital: Implications from a Two-Sector Economy (solo)	

This paper develops a two-sector GE model in continuous time, where the sectors are subject to aggregate risk of different forms, representing two forms of capital. Tangible capital is exposed to permanent shocks that alter capital quality, while intangible capital is exposed to mean-reverting productivity shocks. When the economy is not intangible-intensive, investment of tangible-sector and aggregate growth show inverted U-shape in productivity. The price of productivity risk switches signs depending on the state of the economy and becomes negative when productivity is high. Rebalancing force is at play too: investment of tangible-sector displays U-shape in intangible-intensity of the economy.

Beliefs Heterogeneity and the Equity Term Structure *SSRN*
(with Hamilton Galindo Gil)

Selected Presentation: SFS Cavalcade 2025

What is the role of belief heterogeneity in shaping the equity term structure? We address this question by developing a general equilibrium model featuring habit formation in consumption and heterogeneity in both risk aversion and beliefs about the expected growth rate of the aggregate endowment. We demonstrate that the effects of belief heterogeneity are countercyclical: they increase equity yields during recessions and reduce them during expansions. These effects are more pronounced for short-term assets than for long-term ones. We then examine the role of diagnostic beliefs and show that the overreaction parameter raises equity yields across maturities, with particularly strong effects on short-term maturities during expansions. Overall, our findings highlight the significant influence of belief heterogeneity in shaping the equity term structure.

Huggett Meets Epstein-Zin in Continuous Time *SSRN*

(with Hamilton Galindo Gil, Ji Huang)

We extend the Huggett model to consider recursive preferences in continuous time. We then analyze the role of relative risk aversion (RRA) and elasticity of intertemporal substitution (EIS) in determining the equilibrium interest rate and the stationary wealth and consumption distributions. We show that EIS plays a crucial role in shaping wealth and consumption distribution at the aggregate and agent-type levels, while RRA plays a marginal role. Additionally, EIS has strong effects on interest rate and leverage compared to RRA. Our model is characterized by wealth and income heterogeneity among agents, incomplete markets, and a quantitative separation between RRA and EIS, providing a baseline framework for macro-finance models.

**WORK IN
PROGRESS**

The Other Half: Monetary Policy Transmission for Households without Mortgages (with Viraj Chordiya, Divij Kohli, Justin Mohr)

**SEMINARS &
CONFERENCES**

2025
AFA Ph.D. Poster; MFA*; SFS Cavalcade*; WFA; Baylor University*; University of Maryland*;

2024

SWFA; FMA Applied Finance; FMA Asia; University of São Paulo*; FMA; SFA*; UIUC; SED Winter (withdrawn);

2022

UIUC;

(*): co-author presentation

SERVICE

Referee

Journal of Empirical Finance, Quarterly Review of Economics and Finance, Journal of Corporate Finance

Discussion

Li, Kogan, and Qiao, "Asset Growth Effect and Q Theory of Investment"

Menze, Beckmann, Beckmeyer, Zhou, and Filippou, "Unusual Financial Communication: ChatGPT, Earnings Calls and Financial Markets"

TEACHING	Teaching Assistant, Empirical Analysis in Finance (Ph.D., 2024, 2025) Instructor, Heterogeneous Agent in Asset Pricing Summer School (2025) Teaching Assistant, Corporate Finance (Undergraduate, 2022-2023) Teaching Assistant, Personal Wealth Management (Undergraduate, 2019) Teaching Assistant, FinTech (Graduate, 2019)	UIUC CSU UIUC UIUC UIUC
HONORS AND AWARDS	Richard A. Erley Fellowship AFA Ph.D. Travel Grant UIUC Graduate College Conference Travel Grant Joseph E. Zwisler and Ouida Wald Zwisler Summer Doctoral Fellowship Greg Gulick Honorary Research Award Department of Finance Doctoral Fellowship Jilin University Fellowship	2025 2025 2024 2023 2021 2020-2025 2017
ADDITIONAL	Heterogeneous Agent in Asset Pricing Summer School (Participant) UIUC Finance Ph.D. Reading Group (Co-organizer) Econometric Society Summer School (Participant) CEMFI Macroeconomics Summer School(Participant) Macro Finance Society Summer School (Participant) Demand System Asset Pricing Workshop (Participant) Mitsui Center Summer School on Structural Estimation (Participant)	2024 2022-2024 2023 2023 2021-2023 2022 2021
LANGUAGES	English, Mandarin, R, Python, julia, L ^A T _E X, STATA, MATLAB	
REFERENCES	Heitor Almeida (Co-chair) Professor of Finance Gies School of Business, University of Illinois at Urbana-Champaign halmeida@illinois.edu	
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