

# Chengzi Yi

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## FIELDS OF INTEREST

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Primary: Macroeconomics  
 Secondary: Firm Dynamics, Firm Heterogeneity, International Trade, Financial Frictions

## REFERENCES

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### Russell Cooper (supervisor)

Liaoning University/European University Institute  
 China Economic Research Institute/Department of Economics  
 russell.cooper@eui.eu

### Alexander Monge-Naranjo (supervisor)

Federal Reserve Bank of Atlanta  
 Research Division  
 alexander.monge-naranjo@atl.frb.org

### Javier Miranda

Halle Institute for Economic Research  
 Center for Business and Productivity Dynamics  
 Javier.miranda@iwh-halle.de

## EDUCATION

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### European University Institute

*Ph.D. in Economics*

2020–2026(expected)

### Fudan University

*Ph.D. in Finance*

2016–2020

### Hong Kong Polytechnic University

*M.A. in Finance*

2011–2012

### Guangdong University of Foreign Studies

*B.A. in French & B.A. in Economics*

2007–2011

## WORKING PAPERS

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### Export Dynamics of Multi-Product Firms with (Non-)Differentiated Products (Job Market Paper)

Canonical models with heterogeneous firms and sunk export-entry costs suggest that more profitable firms export, a phenomenon known as export sorting. This paper shows that export sorting varies systematically with product differentiation. Using Slovenian administrative data, I document that the gap in value added per worker between exporters and non-exporters is smaller in more differentiated sectors, especially among multiproduct firms. I rationalise this pattern with a model in which multiproduct firms choose product scope and export participation based on efficiency and market-specific product appeal, with sunk export costs shared across products. Estimating the model separately for high- and low-differentiation sectors reveals lower demand elasticities, higher fixed production costs, lower export-entry costs, and more volatile appeal shocks in the high-differentiation sector; the model reproduces the observed sorting patterns. I then evaluate a 50 percentage-point tariff on a single product and find large contractions with substantial spillovers in the low-differentiation sector but minimal spillovers and little aggregate response in the high-differentiation sector.

### Collateral Constraints and Asset Composition

*Presented at BOFIT Seminar (2024/11/26), Bank of Finland; European Doctoral Programme Jamboree (2024/06/07), Barcelona; Marco Working Group (2024/04/18), European University Institute*

This paper investigates how collateral constraints influence firms' investment allocation between real estate and non-real estate capital. I develop a model that incorporates adjustment costs and collateral constraints, where capital assets differ in both adjustment costs and pledgeability. Using data from Chinese listed firms, I estimate the model and demonstrate that financial frictions and adjustment costs play critical roles in shaping firms'

capital investment behavior. The model explains the observed high proportion of real estate in firms' capital composition, especially for smaller firms. Introducing collateral constraints improves the model's fit to the data. The estimation results indicate significantly higher fixed costs for adjusting real estate capital and greater pledgeability of real estate assets. Removing financial frictions leads to lower aggregate capital and revenue due to zero collateral value and reduced capital investments, whereas eliminating both frictions increases them. A real estate crisis, where real estate becomes non-pledgeable, can distort firms' investment decisions and overall economic output, resulting in a 3.6% decrease in aggregate TFP and a 0.3% reduction in aggregate revenue.

### Revisiting the Investment Regressions: State-owned Firms vs. Private Firms in China

*Presented at Finance Seminar (2023/05/23), Universitat Pompeu Fabra*

The investment regression on a sample of Chinese listed firms shows that there is a significant correlation between investment rate and cash flow ratio after conditioning on average Q. This is true for both state-owned firms and private firms, which are conventionally considered to have different financial conditions. As noted by Cooper and Ejarque (2003), the violation of the constant-returns-to-scale assumption creates a wedge between average Q and marginal Q and can lead to a spurious cash effect in the investment regression even when there are no financial frictions. Following their argument, this paper examines the investment regression results of the Chinese firms by estimating a standard Hayashi's (1982) model which allows for decreasing returns to scale. The estimation results suggest that despite the decreasing returns to scale of capital, the presence of financial constraints brings the standard capital adjustment model closer to the data moments of both state-owned and private firms in China.

## WORK IN PROGRESS

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### Product Differentiation and Export Dynamics of Multi-destination Multi-product Exporter

*with Marius Gruenewald*

## VISITING EXPERIENCES

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|   |      |
|---|------|
| <b>Visiting Researcher</b>                              | 2024 |
| <i>Bank of Finland Institute for Emerging Economies</i> |      |
| <b>Visiting Student</b>                                 | 2023 |
| <i>Universitat Pompeu Fabra</i>                         |      |
| <b>Visiting Student</b>                                 | 2018 |
| <i>London School of Economics and Political Science</i> |      |

## PROFESSIONAL ACTIVITIES

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|   |              |
|---|--------------|
| <b>External Research Consultant</b>                       | 2024–present |
| <i>The Competitiveness Research Network</i>               |              |
| <b>Co-Organizer</b>                                       | 2021         |
| <i>Macro Working Group, European University Institute</i> |              |

## TEACHING

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|   |      |
|---|------|
| <b>Graduate level</b>   |      |
| <i>Dynamic Economics: Simulation-Based Estimators, EUI</i>                            | 2022 |
| TA for Russell Cooper   |      |
| <i>Financial Theory and Policy, Fudan</i>   | 2017 |
| TA for Lijian Sun   |      |
| <b>Undergraduate level</b>  |      |
| <i>Econometrics, NYU Florence</i>   | 2022 |
| TA for Giampiero M. Gallo   |      |
| <b>Other</b>  |      |
| <i>Digital Currencies and Digital Finance, Florence School of Banking and Finance</i> | 2023 |
| TA for Thorsten Koeppl & Olena Havrylchyk   |      |

|   |      |
|---|------|
| <i>Machine Learning: Tools and Applications, Florence School of Banking and Finance</i> | 2022 |
| TA for Iman Van Lelyveld & Dieter Wang  |      |
| <i>International Finance, Fudan International Summer Session</i>                        | 2019 |
| TA for Xiaoyan Fan  |      |

## AWARDS & GRANTS

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|  |           |
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| <b>Grants for Foreigners</b>   | 2020–2024 |
| <i>Italian Ministry of Foreign Affairs &amp; International Cooperation</i> |           |
| <b>Outstanding Graduate</b>  | 2020      |
| <i>Fudan University</i>  |           |
| <b>State Scholarship</b>   | 2018      |
| <i>China Scholarship Council</i>   |           |
| <b>Outstanding Ph.D. Student</b>   | 2017      |
| <i>Fudan University</i>  |           |

## SKILLS

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**Programming:** Julia, Python, MATLAB, R, Stata

**Languages:** Chinese (Native), English (Fluent), French (Intermediate), Japanese (Basic)

## OTHER PROFESSIONAL EXPERIENCE

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|--|-----------|
| <b>Financial Officer</b>                             | 2013–2015 |
| <i>Guangdong Materials Import &amp; Export Corp.</i> |           |
| <b>Assistant Business Officer</b>                    | 2012–2013 |
| <i>The Bank of East Asia</i>                         |           |