

# Chengzi Yi

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## FIELDS OF INTEREST

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Primary: Macroeconomics

Secondary: Firm Dynamics, Firm Heterogeneity, International Trade, Financial Economics

## 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

### Giancarlo Corsetti

European University Institute

Department of Economics

giancarlo.corsetti@eui.eu

## 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

## VISITING EXPERIENCE

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### Visiting Researcher

*Bank of Finland Institute for Emerging Economies*

2024

### Visiting Student

*Universitat Pompeu Fabra*

2023

### Visiting Student

*London School of Economics and Political Science*

2018

## 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), Bank of Finland; European Doctoral Programme Jamboree (2024), Barcelona; Marco Working Group (2024), European University Institute.*

I study how collateral constraints shape firms' asset composition between real estate and non-real estate capital. I build a dynamic two-asset model featuring convex and non-convex adjustment costs and asset-specific pledgeability. Using data on Chinese listed manufacturing firms, I structurally estimate the adjustment-cost and pledgeability parameters. The estimates reveal substantially higher fixed costs for adjusting real estate and greater pledgeability of real estate assets. With these frictions, the model successfully matches the right-skewed distribution of the real-estate-to-non-real-estate ratio and the declining real-estate share as firm size increases. Removing financial frictions eliminates collateral value and reduces aggregate capital and revenue; removing both financial frictions and fixed costs increases capital and revenue. In a real-estate-crisis scenario in which real estate becomes non-pledgeable, investment tilts toward non-real-estate assets, and aggregate capital increases by 3% due to tighter constraints and the higher relative collateral value of non-real-estate capital. However, misallocation worsens: aggregate TFPR falls by 3.6% and revenue by 0.3%.

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

*Presented at Finance Seminar (2023), 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*

## **POLICY WORK**

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### **Firm Responsiveness over the Business Cycle: New Evidence from Europe (CompNet Firm Productivity Report, 2025)**

*With Alberto Ferreira and Javier Miranda*

*Presented at FINPRO 4 Conference (2024); TSI Concluding Conference (2025).*

## **PROFESSIONAL ACTIVITIES**

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### **External Research Consultant**

2024–present

*The Competitiveness Research Network*

### **Co-Organizer**

2021

*Macro Working Group, European University Institute*

## **TEACHING**

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### **Graduate level**

*Dynamic Economics: Simulation-Based Estimators, EUI*

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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<b>Job Market Fund</b>	2025
<i>European University Institute</i>	
<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), Cantonese (Basic), 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>	