Jingbo Yao

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EDUCATION

2022 - 2026 (expected)	Ph.D. in Economics, Hong Kong University of Science and Technology
2020 - 2022	M.Phil. in Economics, Hong Kong University of Science and Technology
2017 - 2020	Master of Economics in Public Finance, Chinese Academy of Fiscal Sciences of the Ministry of Finance of the PRC
2013 - 2017	Bachelor of Economics in Financial Engineering, Xiamen University

RESEARCH INTERESTS

Monetary Economics, International Macro and Trade, International Finance, Chinese Economy, etc.

WORKING PAPER

1. Global Monetary Policy Shocks and Export Prices
(with Yao Amber Li, Lingfei Lu, and Shangjin Wei)

Summary: This paper examines how global monetary policies impact the export pricing behaviors of Chinese firms using unexpected exogenous monetary shocks and disaggregated customs export data. Our findings show that the unexpected tightening of the US monetary policy will lead to an increase in China's export prices. This effect is attributed to a borrowing cost channel, which is related to firms' trade credit and liquidity conditions. Moreover, the impact of US monetary policy shocks on export prices is more profound for firms that face higher borrowing costs, tighter trade credit and liquidity conditions. To further explain our empirical findings, we develop a heterogeneous firm trade model that incorporates financial frictions and external monetary shocks.

Presentation: HKUST-Jinan Macro Student Symposium (2023), the HKUST Research Postgraduate Student Workshop (2023), 17th Australasian Trade Workshop (2024), EITI, Jakarta, Indonesia (2024), NBER-EASE, Hong Kong (scheduled), AMES, Hangzhou (scheduled), IAAE, Xiamen (scheduled)

2. Unconventional Monetary Policy and the U.S. Firm Stock Prices: the Information Effect Revisited
(with John Rogers, Wenbin Wu, and Juanyi Jenny Xu)

Summary: This paper provides evidence on the Fed information effect of large-scale asset purchases (LSAP) through the responses of US firm-level stock prices. We first present a novel empirical finding that unexpected expansionary US LSAP shocks, derived from high-frequency future price changes around FOMC announcements, have a negative impact on the stock market during the QE period, with the sign reversing in the latter Taper period. We then show that our findings are consistent with the information effect of LSAP. Specifically, based on the green book projection data of the Fed, we show that an easing policy signals a worsening economic outlook for the Fed, leading to a decrease in equity investors' confidence. Furthermore, our research reveals that the transmission of LSAP shock's information effect to the stock market is primarily through the risk premium channel, with more significant impacts on firms that are more procyclical and have greater risk exposure. Finally, it is found that the information effect of LSAP is state-dependent, with a more pronounced impact under worse economic circumstances.

Presentation: Fudan Brown Bag (2023), PKU-NUS Annual International Conference (2023), AMES, Singapore (2023), WEAI, San Diego (2023), AMES, Hang Zhou (scheduled), IAAE, Xiamen (scheduled)

SELECTED WORK IN PROGRESS

1. Asymmetric Effects of Policy Deviations: A Case of RMB Exchange Rate
(with Sihao Chen, Yang Lu)

Summary: Our paper constructs a rule-based measurement of policy deviation and reveals its influence on future exchange rates, specifically highlighting the significance of positive (depreciated) deviations. We propose that appreciated deviations inform the market of the central bank's higher expectation for future exchange rates, prompting forecast revisions and mitigating the pure policy effect. On the other hand, depreciated deviations lack this information effect, leading to a dominant pure policy effect. Our findings indicate that negative deviations trigger more positive forecast revisions (depreciation), whereas positive deviations have almost no impact on forecast revision. This pattern holds across various forecasting horizons and is particularly pronounced with larger deviations. Moreover, we find that the information effect is state-dependent: it is more pronounced under unfavorable conditions, such as smaller trade balances, bigger capital outflows, larger VIX and dollar indices, higher economic policy uncertainty (EPU) and China-US inflation difference.

Presentation: Hong Kong Junior Macro Workshop (2023), Fudan (2023)

2. US Monetary Policy Shocks: Magnitude Variation and Regime Shift
(with Juanyi Jenny Xu)

Summary: This paper demonstrates that the correlation among different dimensional monetary policy tools might induce serious estimation bias by using the evidence from the Taper period. More specifically, it documents a stylized fact that the impact of MPS on asset price in the Taper period is much larger than that of the pre-crisis period both domestically and internationally and this is caused by the omission of monetary policy uncertainty (MPU) and large-scale asset purchase (LSAP). Also, this paper indicates that MPU and LSAP are very effective policy tools in unconventional monetary policy periods, especially in the Taper period, which highlights the importance of MPU as a new dimensional policy tool and provides evidence for the signaling channel of LSAP

PROFESSIONAL ACTIVITIES

Referee Service
Economic Modeling

Conference Discussion
Structural Change and Aggregate Volatility, by Zhe (Jasmine) Jiang and Xinle Pang at 17th Australasian Trade Workshop (2024)

TEACHING

Hong Kong University of Science and Technology
Teaching Assistant: Banking and Financial Intermediation (Master)
Teaching Assistant: Macroeconomic Analysis (Master)
Teaching Assistant: Macroeconomic and Financial Risk Management (Undergraduate)
Teaching Assistant: Labor Economics and Human Resources (Undergraduate)
Teaching Assistant: Money and Banking (Undergraduate)

Chinese Academy of Fiscal Sciences
Teaching Assistant: Applied Econometrics (Master)

Internships

CITIC Securities, Marketing Department, Beijing, CHN
Macroeconomy research and assets allocation, Dec. 2018 - Mar. 2019

China Financial Futures Exchange, Beijing Institution of Financial Derivatives, Beijing, CHN
Finance deleverage research and CPI prediction, Mar. - Jul. 2018

Awards and Fellowships

Research travel grant, Hong Kong University of Science and Technology (twice)
First-class academic scholarship, Chinese Academy of Fiscal Sciences (twice), top 10%
Triple-A student, Xiamen University (twice), top 8%

Software

Python; Matlab; R; STATA; Latex

Language

Mandarin (Native), English (Fluent)