

Tongbin Zhang

Shanghai University of Finance and Economics

Email Address: tongbin.zhang.econ@gmail.com

Webpage: <http://tongbinzhang.weebly.com/>

ADDRESS

School of Economics, Shanghai University of Finance and Economics
Wuchuan Road 111, Shanghai, China
200433

CURRENT POSITION

Assistant Professor, Shanghai University of Economics and Finance, Aug 2017-

EDUCATION

Ph.D. in Economics, Universitat Autònoma de Barcelona (UAB), Spain, 2014-2017 (Distinction)
M.A. in Economics, Universitat Autònoma de Barcelona (UAB), Spain, 2012-2014 (Distinction)
M.A. in Economics, Shanghai University of Finance and Economics, China, 2009-2012
B.A. in Finance, Zhejiang Gongshang University, China, 2005-2009, *Cum Laude*

RESEARCH INTERESTS

Macroeconomics, Financial Economics

SCHOLARSHIPS AND AWARDS

La Caixa-Severo Ochoa International Doctorate Fellowships, Spain, 2013-2017
Beca de Col·laboració amb Departaments, Spain, 2012-2013

CONFERENCES AND SEMINARS

Shanghai Macro Workshop, 2017
Barcelona GSE Jamboree, 2017
Bellaterra Winter Macro Workshop, 2017
Macro Breakfast Seminar, UPF, 2017
Simposio de la Asociación Española de Economía (December, 2016), Presenter
LSE CFM Reading Group (September, 2016), Presenter
Barcelona GSE PhD Jamboree (April, 2016), Discussant

ENTER Jamboree Madrid (April, 2016), Presenter
Macroeconomics Workshop in honor of Tim Kehoe (March, 2016), Presenter
Seminar at Toulouse School of Economics (October, 2015), Presenter
MACFINROBODS Annual Dissemination Paris (June, 2015), Poster Presenter
Barcelona GSE PhD Jamboree (April, 2015), Presenter
ENTER Jamboree Mannheim (March, 2015), Discussant
Seminar at University of Mannheim (March, 2015), Presenter
Seminar at Universitat Autònoma de Barcelona (October, 2014), Presenter

RESEARCH PAPERS

Stock Price, Risk-free Rate and Learning (Job Market Paper)

The co-movement between stock and short-term bond markets in US data appears weak in terms of the correlation between stock price-dividend ratio and risk-free rate and the variance decomposition of stock excess returns. It is essential to market participants and policy makers to understand the lack of empirical relationship, especially in light of the fact that several rational expectation asset pricing models that match stock market volatility actually imply a much stronger relationship between stock and short-term bond markets than empirically observed. To explain this apparent inconsistency, this paper presents a small open economy model with "Internally Rational" agents, who optimally update their subjective beliefs on stock prices given their own model. Compared with risk-free rate's variation, agents' subjective beliefs are essential in generating stock price volatility. When testing our model using the method of simulated moments, quantitatively it can simultaneously match moments of the stock and bond markets as well as the weak co-movement between two markets.

Understanding AH Premium in Chinese Stock Markets (with Renbin Zhang)

There are 88 companies (AH share) dual-listed in both China mainland stock markets (A share) and Hong Kong stock market (H share) accounted for 20% of total A share. The 'Shanghai-Hong Kong Stock Connect' program starting at November, 2014 makes previously two segmented markets--Shanghai and Hong Kong stock markets--connected. The prices difference of AH share in Shanghai and Hong Kong stock markets, measured by Hang Seng AH Premium Index, instead of converging persistently divergences, and even reaches 50% higher in Shanghai market. We have shown that asset pricing model with heterogeneity agents with different risk aversions or diverse beliefs in the complete market and incomplete markets cannot generate any AH premium. Transaction cost and different dividend taxes between Shanghai and Hong Kong markets also fails to explain such high and volatile AH premium. We, hence, propose an 'Internal Rationality' learning model, in which agents don't know the pricing function from fundamentals to the stock prices and have different subjective beliefs about tomorrow's capital gains in Shanghai and Hong Kong markets. Our learning model can successfully generate data-like weekly AH premium. We also show that convergence traders with strategy short in Shanghai and long in Hong Kong will lose money with 33% probability.

RESEARCH IN PROGRESS

Explaining Exchange Rate Puzzles: An Learning Approach (with Jian Wang, Jianfeng Yu)

SOFTWARE

Matlab, Stata

LANGUAGES

Chinese (native), English (fluent) and Spanish (beginner)

REFERENCES

Albert Marcet (Chair)

Institut d'Anàlisi Econòmica CSIC and
Barcelona Graduate School of Economics
08193 Cerdanyola del Vallès, Barcelona (Spain)

Email: marcet.albert@gmail.com

Jian Wang

Chinese University of Hong Kong (Shenzhen)
Longxiang road 2001, CUHK(SZ),
Longgang District, Shenzhen (China)

Email: jian.wang.econ@gmail.com

Juan Pablo Nicolini

Federal Reserve Bank of Minneapolis and
Universidad Torcuato Di Tella
Federal Reserve Bank of Minneapolis
90 Hennepin Avenue
Minneapolis, MN 55401 (USA)

Email: _juanpa@utdt.edu