

Contact Information	University of Washington Department of Economics Seattle, WA, United States	✉ liyida@uw.edu ☎ +1 (734) 680-4797 🌐 li-yida.github.io 🌐 li-yida
Education	University of Washington Ph.D. in Economics University of Michigan M.A. in Economics Fudan University B.A. in International Finance	Seattle, WA 2022 (expected) Ann Arbor, MI 2016 Shanghai, China 2014
Fields	International Finance, International Macroeconomics, Applied Econometrics	
Research	Working Papers Covered Interest Rate Parity Deviation and Global Banks Dollar Funding. (<i>Job Market Paper</i>) Macroeconomic Connections to Foreign Exchange Risk Term Structure. (<i>with Yu-chin Chen and Jingyi Ren</i>) Drivers of Euro Area Long-Term Sovereign Yields. (<i>with Nazim Belhocine</i>) Predoctoral Publications Network Dynamics of the Chinese Stock Market, 2014, The International Conference on Systems and Informatics. IEEE. (<i>with Bing Li</i>) Merger and Acquisition in Coal Industry, 2013, Productivity Research. (<i>in Chinese</i>) Real Estate Price and Inflation in China, 2013, Journal of Shanxi University. (<i>with Guangyou Zhou, in Chinese</i>) Research Positions Research Assistant to Prof. Yu-chin Chen, University of Washington 2019 Research Assistant to Prof. Dominick Bartelme, University of Michigan 2015-2016 Research Assistant, Financial Research Center, Fudan University 2013-2014 Seminar Presentations 2021: IMF, European Central Bank 2019, 2020: International Trade and Finance Seminar, University of Washington	
Professional Experience	International Monetary Fund (IMF) <i>Fund Internship Program, European Department</i> China Merchants Securities <i>Summer Analyst, Investment Banking</i> Guotai Junan Securities <i>Analyst, Fixed Income, Currency and Commodity</i>	Washington, D.C. <i>2021.6–2021.9</i> Shenzhen, China <i>2016.6–2016.9</i> Shanghai, China <i>2014.2–2014.4</i>

Honors & Awards	Graduate School Scholarship, University of Washington	2021
	Alberta C. Corkery Endowed Fellowship, University of Washington	2017
	Excellent Graduate, Fudan University	2014
	Xiyuan Undergraduate Research Grant, Fudan University	2013
	People's Scholarship, Fudan University	2012, 2013

Teaching Experience	Instructor / Teaching Assistant, University of Washington, since 2017	
	<i>Department of Economics</i>	
	<ul style="list-style-type: none"> • Computational Finance and Financial Econometrics (Undergraduate) • Introduction to Microeconomics (Undergraduate) • Introduction to Macroeconomics (Undergraduate) 	
	<i>Foster School of Business</i>	
	<ul style="list-style-type: none"> • Financial Management (Executive MBA) • International Finance (MBA and Executive MBA) • Business Finance / Corporate Finance (Undergraduate) • Statistical Methods / Information Systems (Undergraduate) 	

Skills	Programming: Stata, R, Matlab, Python, L ^A T _E X
	Other: MS Excel, Bloomberg, Dealogic, Datastream
	Language: English (full professional), Chinese (native)

References	Yu-chin Chen (Chair)	Stephan Siegel	Eric Zivot
	Department of Economics	Foster School of Business	Department of Economics
	University of Washington	University of Washington	University of Washington
	Seattle, WA, USA	Seattle, WA, USA	Seattle, WA, USA
	+1 (206) 543-6197	+1 (206) 543-0784	+1 (206) 543-6715
	yuchin@uw.edu	ss1110@uw.edu	ezivot@uw.edu
Lukas Kremens	Nazim Belhocine		
Foster School of Business	European Department		
University of Washington	International Monetary Fund		
Seattle, WA, USA	Washington, D.C., USA		
+1 (206) 543-5605	+1 (202) 640-3386		
lkremens@uw.edu	NBelhocine@imf.org		

Covered Interest Rate Parity Deviation and Global Banks Dollar Funding.

(Job Market Paper)

The persistence of covered interest rate parity (CIP) deviations has been a fundamental puzzle in international finance. Since global financial crisis (GFC), these deviations have implied a persistent dollar financing premium for banks versus other major currencies, and have long attracted the attention from academia and policy makers. In this paper, using a model of dollar funding of global banks in the foreign exchange (FX) swap market, I study the contributions of credit spread differential, bank's default premium, and the global banks' liquidity needs, to CIP deviations. Then I empirically examine whether the data is consistent with the model predictions, and find that the relative significance of each component in CIP deviation has changed over time, as default premium was the dominant driver around GFC, credit spread differential has been contributing to the rise in CIP deviations in recent years. I also show that the CIP dollar basis for one currency is affected by the financial conditions in other countries, who may also participate swap transactions of USD in the FX market.

Macroeconomic Connections to Foreign Exchange Risk Term Structure.

(with Yu-chin Chen and Jingyi Ren)

This paper empirically investigates the connection between macroeconomic fundamentals and time-varying currency risks captured by the FX risk term structure. We perform a VAR analysis to examine impulse responses of FX risk term structure to the shocks of macroeconomic events and find that production variables can generate a relatively consistent and systematic impact pattern, which suggests a potential macroeconomic connection. We also perform a direct single regression, regressing the database of 126 macroeconomic series of eight different groups on the FX risk term structure and apply the group LASSO technique for variable selection. Variables among both macroeconomic fundamentals and financial series are commonly selected, implying that financial markets' co-movements also exist in addition to potential macroeconomic connection.

Drivers of Euro Area Long-Term Sovereign Yields.

(with Nazim Belhocine)

This paper uses a joint model of macroeconomic and term structure dynamics to estimate the term premia and inflation risk premia embedded in U.S. and euro area bonds yields. We find that the fall in real risk premia has been the primary driver of declining yields, especially over the past year, given ECB assets purchases and forward guidance which lowered the uncertainty over the projected path of short-term rates. In addition, contrary to the Fed, the ECB's new strategy review has yet to lift inflation expectations with financial markets expecting inflation to remain below 2 percent. We subsequently present a model of the term premia to forecast the euro area 10-year yield curve and find that yields will likely remain depressed over the medium-term under various scenarios.