Yu Xu

Contact Information

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Alfred Lerner College of Business and Economics
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Employment

Cornell University, SC Johnson College of Business
Visiting Assistant Professor of Finance, 2024-present

University of Delaware, Alfred Lerner College of Business and Economics
Assistant Professor of Finance, 2020-present (on leave for 2024-25).

University of Hong Kong, Faculty of Business and Economics
Assistant Professor of Finance, 2015-2020.

Education

Massachusetts Institute of Technology, Sloan School of Management
Ph.D., Financial Economics, June 2015.
Dissertation: "Essays on Debt Markets."
Committee: Hui Chen, Leonid Kogan, Adrien Verdelhan.

The University of Iowa
B.S., Actuarial Science and Mathematics, December 2008,
with Honors and Highest Distinction in both majors.

Interests

Asset Pricing, Credit Risk, Labor, Machine Learning (applied to solving dynamic models), Macro-finance, Monetary Policy, Sovereign Debt.

Publications

"Time-varying Risk Premium and Unemployment Risk across Age Groups," with Indrajit Mitra, *Review of Financial Studies*, 2020, 33(8): 3624-3673.

"Systematic Risk, Debt Maturity, and the Term Structure of Credit Spreads," with Hui Chen and Jun Yang, *Journal of Financial Economics*, 2021, 139(3): 770-799.

"Illiquidity in Sovereign Debt Markets," with Juan Passadore, *Journal of International Economics*, Volume 137, July 2022, 103618.

"High Discounts and Low Fundamental Surplus: An Equivalence Result for Unemployment Fluctuations," with Indrajit Mitra and Taeuk Seo, *Management Science*, 2024, 70(6): 4051-4068.

"A Theory of the Term Structure of Interest Rates under Limited Household Risk Sharing," with Indrajit Mitra, November 2023, *Review of Financial Studies*, Forthcoming.

Working Papers

"Ambiguity and Unemployment Fluctuations," with Indrajit Mitra, March 2024.

"The Fed Information Effect and Firm-level Investment: Evidence and Theory," with Alex Hsu, Indrajit Mitra, and Linghang Zeng, March 2024.

"Domestic Banking Fragility and Sovereign Debt Capacity," September 2022.

Presentations

(*presentation by coauthor, [†]scheduled)

2024: AMES, Barcelona GSE Summer Forum, China International Risk Forum*, EEA-ESEM, NASMES, Shanghai Macroeconomics Workshop*, University of Delaware.

2023: Bloomberg*, University of Iowa*, University of Oklahoma*

2022: I-85 Macroeconomics Workshop*, Atlanta Fed Junior Visitor Conference

2021: AFA, Atlanta Fed*, Emory University*, Philly Five.

2020: Bank of Canada*, Cornell University, EFA, Federal Reserve Bank of Atlanta*, Federal Reserve Bank of New York*, Federal Reserve Board*, Florida State University, Pennsylvania State University, Sovereign Debt Restructuring conference*, Temple University*, University of Delaware, University of Georgia, WFA*.

2019: AFR Summer Institute of Economics and Finance, EEA-ESEM*, City University of Hong Kong, Labor and Finance Group*, NASMES*, NFA, Office of Financial Research*, SFS Cavalcade North America*, Texas A&M*, University of Hong Kong, University of Houston*, University of Maryland*, University of Michigan*.

2018: Barcelona GSE Summer Forum, CEMLA*, Central Bank of Chile*, EEA*, EFA, IMF*, Michigan Econ-Finance Day*, Wharton Micro Brown Bag.

2017: Chinese University of Hong Kong, Madrid Workshop In Quantitative Macroeconomics*, MIT Finance Lunch, Nanyang Technological University, National University of Singapore (Economics and Finance), New Faces in Macro*, RIDGE*, University of Hong Kong.

2016: LACEA*, Tinbergen Institute*, Toulouse School of Economics*, University of Michigan*.

2015: Central Bank of Uruguay (Economic Meetings)*, CSEF (University of Naples Federico II)*, European University Institute*, Universidad de Montevideo*, University of British Columbia, University of Hong Kong, University of Houston, University of Texas at Austin, Universidad Torcuato Di Tella*, SFS Cavalcade, Society for Economic Dynamics Conference*, Texas A&M.

Prior to 2015: Bank of Canada Fellowship Workshop*, China International Conference in Finance*, HKUST Finance Symposium*, London Business School*, London School of Economics*, Macro Financial Modeling Conference, MIT Finance Lunch, MIT Macro Lunch*, MIT Sloan, NBER Asset Pricing Meeting*, Summer Institute of Finance Conference*, Texas Finance Festival*, University of Hong Kong*, SFS Cavalcade (Miami), WFA*.

Teaching

Cornell University: Derivatives I & II (MBA), 2024-2025
Introduction to Finance (Undergraduate), 2024-2025
Fixed Income Analysis (Undergraduate), 2024-2025

University of Delaware: Investments (Undergraduate), 2021-2024.

University of Hong Kong: Fixed Income Securities (Master of Finance), 2015-2020.

Service

University of Delaware:
- Investments curriculum committee, 2020
- Tenure-track recruiting committee, 2021, 2023.
- Finance exit exam committee, 2022.
- FinTech major/minor committee, 2023.
- Finance seminar co-coordinator, 2023-2024.

University of Hong Kong:
- Master of Finance admissions committee, 2017-2020.
- Master of Finance curriculum development committee, 2019-2020.
- Undergraduate academic advising, 2015-2020.
- Supervisor, Undergraduate Research Fellowship Program

Fellowships, Honors, and Awards

Early Career Scheme Grant, Hong Kong Research Grants Council, 2016.

Doctoral Fellowship, MIT Sloan, 2009-2014.

Dissertation Fellowship, Macro-Financial Modeling Group (Becker Friedman Institute), 2013.

TCW Best Paper Award, China International Conference in Finance, for "Systematic Risk, Debt Maturity, and the Term Structure of Credit Spreads," 2012.

Yale Summer School in Behavioral Finance, 2011.

Taylor Award in Actuarial Analysis & Knowler Award for Outstanding Achievement, Department of Statistics and Actuarial Science, University of Iowa, 2009.

Professional Activities

Discussions:

"Monetary policy, debt structure, and credit reallocation," by Yuchen Chen, CICF (2024).

"A High-frequency Measure of Chinese Monetary Policy Shocks," by He, Jia, Li, and Wu, CFRC (2024).

"Banks' Foreign Currency Exposure and the Real Effects of Exchange Rate Shocks," by Isha Agarwal, NFA (2019).

"A Disaster Explanation for the Term Structure of Returns," by Di Wu, Hong Kong Joint Finance Research Workshop (2018).

"Mind the Gap: An Empirical Foundation for Investment-Based Asset Pricing Models," by Consonni, Ferraro, and Steri, FIRS (2017).

Member: Macro Finance Society.

Referee: Financial Management, Journal of Banking and Finance, Journal of Corporate Finance, Journal of Economic Dynamics and Control, Journal of Financial and Quantitative Analysis, Journal of Political Economy, Management Science, Midwest Finance Association, Review of Asset Pricing Studies, Review of Financial Studies.

Short term visit: Einaudi Institute for Economics and Finance, June 2019.

Federal Reserve Bank of Atlanta, September 2022.

Updated July 2024