

## Yulei Luo (罗雨雷)

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Education: Princeton University, Ph.D., Economics, 2005  
[Ph.D. Thesis Title: *Essays on Macroeconomics with Microeconomic Frictions*.  
Thesis Committee: Christopher A. Sims (main advisor), Per Krusell, and Jonathan Parker.  
Internal reader: Ricardo Reis]  
Princeton University, M.A., Economics, 2002  
Wuhan University, Institute for Advanced Study, Graduate Student, 1997-99  
Wuhan University, B.S., Electronics and Information System, 1997

Current Position: Associate Professor of Economics (with tenure), The University of Hong Kong,  
2012-present

Past Positions: Assistant Professor of Economics, The University of Hong Kong, 2006-2012  
Research Fellow, Hong Kong Institute for Monetary Research, Oct-Nov, 2012  
Visiting Scholar, Federal Reserve Bank of Kansas City, Oct 2009, Jan 2012  
Visiting Assistant Professor, University of California at Davis, 2009-2010  
Consultant, the World Bank, 2005-2006

Major Fields of Interest: Macroeconomics, Asset Pricing, and International Finance

### Publications in Refereed Journals:

1. "Consumption Dynamics under Information Processing Constraints," (2008), *Review of Economic Dynamics* 11, 366-385.
2. "The Demand for Status and the Wealth Distribution," with Eric R. Young (2009), *Macroeconomic Dynamics* 13 (1), 1-30. (lead article)
3. "The Spirit of Capitalism, Precautionary Savings, and Consumption," with Williams T. Smith and Heng-fu Zou (2009), *The Journal of Money, Credit and Banking* 41, 543-554.
4. "Rational Inattention and Aggregate Fluctuations," with Eric R. Young (2009), *The B.E. Journal of Macroeconomics: Vol. 9: Iss. 1 (Contributions)*, Article 14.
5. "The Spirit of Capitalism and Excess Smoothness," with Williams T. Smith and Heng-fu Zou (2009), *Annals of Economics and Finance* 10(2), 281-301.
6. "A Note on Entrepreneurial Risk, Capital Market Imperfections, and Heterogeneity," with Liutang Gong and Heng-fu Zou (2010), *Macroeconomic Dynamics* 14(2), 269-284.
7. "Risk-sensitive Consumption and Savings under Rational Inattention," with Eric R. Young (2010), *American Economic Journal: Macroeconomics* 2(4), 281-325.
8. "Asset Pricing under Information-processing Constraints," with Eric R. Young (2010), *Economics Letters* Vol. 107, Issue 1, 26-29.
9. "Rational Inattention, Long-run Consumption Risk, and Portfolio Choice," (2010), *Review of Economic Dynamics* 13(4), 843-860.
10. "Robustness, Information-processing Constraints, and the Current Account in Small Open Economies," with Jun Nie and Eric R. Young (2012). *Journal of International Economics* 88, 104-120.

11. "Signal Extraction and Rational Inattention," with Eric R. Young. *Economic Inquiry* 52(2) (2014), 811-829.
12. "Robust Control, Informational Frictions, and International Consumption Correlations," with Jun Nie and Eric R. Young. *European Economic Review* 67 (2014), 1-27. (lead article)
13. "Model Uncertainty and Intertemporal Tax Smoothing," with Jun Nie and Eric R. Young (2014). *Journal of Economic Dynamics and Control* 45, 289-314.
14. "Slow Information Diffusion and the Inertial Behavior of Durables Consumption," with Jun Nie and Eric R. Young (2014). Forthcoming in *Journal of the European Economic Association*.
15. "Long-run Consumption Risk and Asset Allocation under Recursive Utility and Rational Inattention," with Eric R. Young (2015). Forthcoming in *Journal of Money, Credit and Banking*.
16. "Attention Misallocation, Social Welfare, and Policy Implications," with Heng Chen and Guangyu Pei (2015). Forthcoming in *Journal of Economic Dynamics and Control*.

#### Book Chapters:

1. "Model Uncertainty, State Uncertainty, and State-Space Models," with Jun Nie and Eric R. Young (2012), in *State Space Models --- Application in Economics and Finance*, Springer-Verlag.
2. "Social Status and the Term Structure of Interest Rates in Stochastic Production Economies," with Liutang Gong and Heng-fu Zou (2009), in *Economic Dynamics: Theory, Games and Empirical Studies*, Nova Science Publisher.

#### Working Papers:

1. "Induced Uncertainty, Market Price of Risk, and the Dynamics of Consumption and Wealth," with Eric R. Young (2014), under the second-round review at *Journal of Economic Theory*.
2. "Robustly Strategic Consumption-Portfolio Rules with Informational Frictions (2015)," under review.
3. "What We Don't Know Doesn't Hurt Us: Rational Inattention and the Permanent Income Hypothesis in General Equilibrium," with Jun Nie, Gaowang Wang, and Eric R. Young (2014), under review.
4. "Robust Permanent Income in General Equilibrium," with Jun Nie and Eric R. Young (2015), under review.
5. "Model Uncertainty, Risk Sharing, and the Effect of Volatility on Growth," with Jun Nie and Eric R. Young (2015).
6. "Elastic Attention, Risk Sharing, and International Co-movements," with Wei Li and Jun Nie (2015).
7. "Robust Consumption-Portfolio Rules with Unknown Income Growth," with Jun Nie and Haijun Wang (2015).
8. "Portfolio Choice with Information-Processing Limits," with Altantsetseg Batchuluun and Eric R. Young (2014).

#### Work in Progress:

1. "Rational Inattention, Equilibrium Asset Returns, and the Welfare Cost of Consumption Fluctuations," with Eric R. Young.
2. "Robustness, Intertemporal Hedging, and Precautionary Savings in a Partially Observable Economy," with Jun Nie and Eric R. Young.
3. "Robustness, Inventories, and the Production Smoothing Hypothesis," with Jun Nie and Eric R. Young.

#### Research Grants and Fellowships:

1. Hong Kong RGC's General Research Fund, 2015-17. Project (#HKU17500515): "Robustness, Intertemporal Hedging Demands, and Precautionary Savings in a Partially Observable Economy" (Principal Investigator), amount awarded: HK\$165,000.
2. Hong Kong RGC's General Research Fund, 2013-15. Project (#HKU791913): "Model Uncertainty and Emerging Market Business Cycles" (Principal Investigator), amount awarded: HK\$154,000.
3. Hong Kong RGC's General Research Fund, 2011-13. Project (#HKU749711): "Risk-sensitive Control and Filtering, Production Fluctuations, and Inventory Behavior" (Principal Investigator), amount awarded: HK\$134,159.
4. Hong Kong RGC's General Research Fund, 2010-12. Project (#HKU749510): "Model Misspecification, Consumption Volatility, and the Current Account in Small Open Economies" (Principal Investigator), amount awarded: HK\$163,818.
5. Hong Kong RGC's General Research Fund, 2009-11. Project (#HKU748209): "Sticky Information Diffusion and Inertial Behavior of Durables Consumption" (Principal Investigator), amount awarded: HK\$170,000.
6. Hong Kong RGC's General Research Fund, 2007-09. Project (#HKU747707): "Rational Inattention Meets Risk-sensitivity" (Principal Investigator), amount awarded: HK\$165,000.
7. HKU Seed Fund for Basic Research, 2009-11. Project: "Robustness, Inventories, and Production Fluctuations" (Principal Investigator), amount awarded: HK\$85,000.
8. HKU Seed Fund for Basic Research, 2008-10. Project: "The Current Account and Macroeconomic Adjustment under Rational Inattention" (Principal Investigator), amount awarded: HK\$120,000.
9. HKU Seed Fund for Basic Research, 2006-08. Project: "Monetary Policy under Rational Inattention" (Co-investigator), amount awarded: HK\$100,000.
10. HKU Research Merit Award, 2007, 2009, 2010, 2011, 2013, amount: HK\$50,000 each award.
11. Princeton University Fellowship, 1999-2004.

#### Teaching Experience:

- Instructor (HKU): Macroeconomic Theory (core first-year Ph.D. macro, Fall 2010-2013); Financial Economics (Graduate, Fall 2006); Intermediate Macroeconomics (2012, 2013); Introduction to Macroeconomics (2007-2009, 2011, 2012); Mathematical Methods in Economics (2007-2009).
- Instructor (WHU): Selected Topics in Dynamic Macroeconomics (2014); Dynamic Optimization (2005); Introduction to Macroeconomics (2005).
- Guest Instructor: Advanced Macroeconomic Theory (second-year Ph.D., Fall 2009, UC Davis); Selected Topics in Macroeconomics (Ph.D. course, spring 2012, HKU).
- Teaching Assistant (Princeton): First-year Ph.D. macroeconomics (taught by Chris Sims and Lars Svensson; Intermediate Macroeconomics; Intermediate Microeconomics).

#### Conference and Seminar Presentations:

2015: PBC School of Finance, Tsinghua University (scheduled); Econometric Society World Congress (ESWC2015) in Montréal; 6<sup>th</sup> Shanghai Macroeconomics Workshop; Annual conference of the Society of Economic Dynamics (SED) in Warsaw.

2014: The Asian Meetings of the Econometric Society.

2013: Seoul National University; National University of Singapore; 4<sup>th</sup> Shanghai Macroeconomics Workshop; 19<sup>th</sup> International Conference of Computing in Economics and Finance.

2012: Fudan Workshop on Economic Dynamics; The joint meeting of Korea Economic Association and Korean-American Economic Association held in Seoul; Conference on "*Rational Inattention and Related Theories*" in Prague; Shanghai University of Finance and Economics.

2011: City University of Hong Kong; The Hong Kong University of Science and Technology; Annual conference of the Society of Economic Dynamics in Ghent, Belgium; North American Summer Meeting of the Econometric Society; Conference on “*Putting Information In (or Taking It Out) of Macroeconomics*” organized by the Laboratory for Aggregate Economics and Finance (LAEF) at UC Santa Barbara.

2010: The University of Tokyo; The Hong Kong University of Science and Technology; Federal Reserve Bank of San Francisco; The Federal Reserve Board of Governors; University of South Carolina at Columbia; UC Davis.

2009: Federal Reserve Bank of Kansas City; University of Hawaii at Manoa; the Midwest Macroeconomics Meetings at Indiana University.

2008: Society for Economic Dynamics meeting at Cambridge; SUNY at Stony Brook.

2007: North American Summer Meeting of the Econometric Society at Duke; North American Winter Meeting of the Econometric Society; Workshop on “*Consumption, Credit, and Portfolio Allocation*” at European University Institute at Florence (invited talk); The University of Hong Kong, Chinese University of Hong Kong.

2006: Far Eastern Meetings of Econometric Society at Beijing; University of Warwick, University of Hong Kong, University of Guelph, Guanghua School of Management at Peking University, University of Texas at San Antonio.

2005: Econometric Society World Congress in London; Society for Economic Dynamics meeting at Budapest; the Midwest Macroeconomics Meetings at Iowa; University of Hong Kong.

#### Refereeing:

*American Economic Journal: Macroeconomics (x2), American Economic Review, Econometrica, Review of Economic Studies, Journal of Economic Theory (x2), Journal of European Economic Association, Journal of International Economics, Review of Economic Dynamics, Journal of Monetary Economics, Economic Journal, Journal of Money, Credit and Banking (x2), Journal of Economic Dynamics and Control (x2), Theoretical Economics, Economic Theory, Journal of Mathematical Economics, Scottish Journal of Political Economy, Economics Letters, Bulletin of Economic Research, International Economics, Annals of Economics and Finance (x2), International Economics and Economic Policy, Journal of Economic Psychology, Metroeconomica, Pacific Economic Review, National Science Foundation (U.S.), Czech Science Foundation (x2).*

#### Professional Affiliation:

Member, Macro Finance Society.

#### Internal and External Service:

- Academic Committee, *Economic Review* (Chinese: 经济评论).
- Program Committee, 19<sup>th</sup> International Conference of Computing in Economics and Finance.
- Economics Seminar Coordinator, School of Economics and Finance, HKU, 2012-present.
- Economics Junior Faculty (28 Tw[(Profe-5.8(Facul8kTf..0007 Tci3Twn6 )5.8( Tw[(Eg)-5.9(Som)6.1(m)12.9(ivtee, )KU
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#### PhD Student and Postdoc Advising

1. HKU: Gaowang Wang, “*Rational Inattention and the Permanent Income Hypothesis in General Equilibrium*,” (Post-doctoral scholar, 2012-2013). Initial Placement: Assistant Professor of Economics, Shandong University, China.
2. HKU: Chong Xing, “*The Effects of Taxation of Labor Income on Strategic Asset Allocation*,” (PhD, 2011). Initial Placement: Associate Director, Petro China, Hong Kong.
3. HKU: Wei Li, in progress.
4. HKU: Chi Pui Ho, in progress.
5. HKU: Qing Shi, in progress.
6. HKU: Xiaowen Wang, in progress.
7. HKU: Yue Yin, in progress.

#### References: