

# Zhenghua QI

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## EDUCATION

- 08/2019 – Now**      **The Hong Kong University of Science and Technology**  
*PhD in Economics*
- 08/2018 – 06/2019**    **London School of Economics and Political Science**  
*MSc in Finance and Economics*  
With distinction, full scholarship
- 09/2015 – 06/2018**    **Shandong University**  
*BEC in Finance*
- 09/2014 – 09/2015**    **Shandong University**  
*BEng in Environmental Engineering*

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## RESEARCH

### “Diagnostic Expectations in Housing Price Dynamics”

*MPhil Thesis*

Abstract: Using the Survey of Consumer Expectations, I find predictability of forecast error on forecast in housing price growth rate. Overestimation is followed by disappointment in housing market. To resolve the predictability without rational expectation (RE), I introduce the diagnostic expectation (DE) into a two-agent New Keynesian framework to understand the role played by overoptimism induced by DE in affecting housing price dynamics and the business cycles. Firstly, the DE significantly outperforms RE in affecting the responses of housing price, consumption, output, and other macroeconomic variables to TFP shock in magnitude and persistency. The DE plays significant role in affecting both the extensive margin and intensive margin of housing market. Secondly, the DE is able to generate positive residential housing value share response that is consistent with data. The main mechanism comes from the strengthened income effect and consumption smoothing under overreaction. Thirdly, the monetary policy rule matters in influencing the mechanisms generated by DE and this laid foundation for future discussion on policy implication.

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## AWARDS

- 08/2019**      Postgraduate Studentship from the Hong Kong University of Science and Technology
- 05/2018**      Fully Sponsored by the China Scholarship Council for Postgraduate Study
- 11/2015**      China National Scholarship for Undergraduate Students
- 10/2015**      Tier 1 Merit Scholarship of Shandong University
- 10/2016**      Shandong Province First Prize in China Undergraduate Mathematical Contest in Modelling

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## SKILLS AND LANGUAGES

**Technical Skills:** R, MATLAB, Stata, SPSS, EViews

**Languages:** Mandarin (Native), English