ZIJIE WANG

CONTACT

Warwick Business School, Finance Group
Gibbet Hill Road, Coventry CV4 7AL
United Kingdom

Email: zijie.wang.1@warwick.ac.uk
Web: zijie-cj-wang.github.io/home/
Phone: +44 7934410057

EDUCATION

Warwick Business School
PhD in Finance and Economics — 2023–2027 (expected)
MRes in Finance and Economics — 2021–2023

University of Warwick
MSc in Economics — 2018–2020

Tianjin University
BS in Energy and Power Engineering — 2014–2018
Exchange: National Chiao Tung University — Feb–Jul 2016

EXPERIENCE

Bank for International Settlements
Technical Advisor — Feb–Apr 2026

RESEARCH FIELDS

Macro-Finance, International Finance, Economics of AI

JOB MARKET PAPER

Who Captures AI Deflation? Quality-Adjusted Prices, Markups, and Pass-Through in AI Services

Abstract: This paper studies how changes in computing costs affect the price of AI services and the distribution of gains between AI providers and downstream firms. Because AI inference consumes GPU time, the price of computing enters the marginal cost of AI services, and how much of a change reaches downstream firms depends on provider market power. I link daily GPU rental rates to the prices, usage, and capabilities of more than 300 models on OpenRouter, an AI marketplace, and estimate a structural demand model that recovers provider markups. I present three findings. First, a constant-quality price index for AI services fell by 77 percent over 2024–2026, twice the decline in nominal prices. Second, pass-through declines with market power: a 10 percent change in GPU rental rates moves quality-adjusted prices by about 2 percent on average, compared with 3 percent in a zero-markup counterfactual. Providers capture much of the surplus transferred through market power, while downstream firms benefit mainly from the introduction of new, more capable models rather than price reductions on existing models. Third, using U.S. input–output tables, I estimate that an index of producer prices was about 31 basis points lower in April 2026 than if quality-adjusted AI prices had remained at their late-2024 level.

Presentations: EFA Doctoral Tutorial (2026), Edinburgh Financial Technology Conference (2026), Fisher AI in Business Conference (2026), AFA PhD Poster (2027, scheduled)

WORKING PAPERS

Foreign Exchange Interventions and Intermediary Constraints
with Alex Ferreira, Rory Mullen, Giovanni Ricco, and Ganesh Viswanath-Natraj
CEPR Discussion Paper No. 19556 (2024)
Under review: *Journal of International Economics* (Spillover Conference special issue)
Presentations: BIS–BoE–ECB–IMF Spillover Conference (2026), WFA (2025), SFS Cavalcade NA (2025), European Central Bank, Central Bank of Brazil, Swiss National Bank, CEPR Workshop on Macroeconomic Policy in Emerging Markets (2024)

Under Pressure? Central Bank Independence Meets Blockchain Prediction Markets
with Barry Eichengreen, Ganesh Viswanath-Natraj, and Junxuan Wang
Companion paper: forthcoming in *AEA Papers and Proceedings* (2027)
Presentations: SFS Cavalcade NA (2026), AEA (2027, scheduled), SGF (2026), MMF (2026), Global AI Finance Research Conference (2025), Bank of Lithuania
Policy dissemination: VoxEU column

Offshore Forwards and Exchange Rate Transmission in Emerging Markets
with Gerardo Ferrara, Andreas Schrimpf, and Ganesh Viswanath-Natraj
BIS Working Paper No. 1383 (2026)
Presentations: LCH ForexClear, MMF (2026)

Captive Capital: How Private Equity Shapes Insurer Portfolios
with Lorenzo Bretscher, Philippe Mueller, and Karamfil Todorov
Presentation: BIS

Presentations

2026: SFS Cavalcade NA, EFA Doctoral Tutorial, Edinburgh Financial Technology Conference, MMF Annual Conference, Warwick Business School Brown Bag, Fisher AI in Business Conference
2025: Global AI Finance Research Conference, Warwick Business School Brown Bag, QMUL PhD Workshop, IFABS (Oxford)
2024: RCEA International Conference, Warwick Business School Brown Bag, RES PhD Conference
2023: Warwick Business School Brown Bag

Awards and Grants

AFA PhD Poster Session Travel Grant	2027
EFA Doctoral Tutorial Stipend	2026

Teaching

Teaching Assistant, Warwick Business School

Data Analysis for Finance (MSc)	2023–2026
Research Methodology for Financial Management (MSc)	2023–2026
Finance 1: Financial Markets (BSc)	2024–2025
Fundamentals of Finance (BSc)	2025–2026

Pre-PhD Experience

Institute for State-Owned Enterprises, Tsinghua University
Research Assistant 2020–2021

Industrial Securities Co., Ltd.
Research Intern, Financial Engineering Group Summer 2019

Summer Schools

Market Microstructure Summer School 2025

Skills

Programming: Python, MATLAB, Stata, R, LaTeX
Data platforms: Datastream, Bloomberg, WRDS, Capital IQ Pro, Refinitiv
Languages: Mandarin (native), English (fluent)

References

Professor Philippe Mueller
Warwick Business School
Finance Group
Gibbet Hill Road
Coventry CV4 7AL
Philippe.Mueller@wbs.ac.uk

Professor Ganesh Viswanath-Natraj
Warwick Business School
Finance Group
Gibbet Hill Road
Coventry CV4 7AL
ganesh.viswanath-natraj@wbs.ac.uk

Professor Lorenzo Bretscher
University of Lausanne
Department of Finance
Extranef 233
1015 Lausanne, Switzerland
lorenzo.bretscher@unil.ch

Abstracts of Other Papers

Foreign Exchange Interventions and Intermediary Constraints

Abstract: The dollar intermediation channel of foreign exchange interventions (FXI), a form of the portfolio balance channel, arises from the imperfect substitutability between domestic currency and USD, the dominant global currency, along with financial frictions limiting USD liquidity access. This channel plays a key role in Banco Central do Brasil's FXI. High-frequency data on over 8,000 FXI events (1999–2023) show that unanticipated spot sales appreciate the domestic currency, reduce covered interest parity deviations, and crowd out private intermediation, especially when intermediaries are constrained. Our results support an extended Gabaix and Maggiori (2015) model, in which constrained intermediaries amplify intervention effectiveness.

Under Pressure? Central Bank Independence Meets Blockchain Prediction Markets

Abstract: Employing data from Polymarket, a blockchain-based prediction market where users trade on Federal Reserve rate decisions and scenarios related to central bank independence, we construct a hawk–dove score for wallets and link beliefs to monetary policy expectations. Users who believe President Trump will fire Fed Chair Powell, and who expect stronger political pressure on the central bank, hold more dovish views and expect lower short-term rates than other users. They also expect higher long-term Treasury yields and higher inflation, consistent with reduced policy credibility. The findings indicate that political events affect expectations through perceived threats to central bank independence.

Captive Capital: How Private Equity Shapes Insurer Portfolios

Abstract: We provide the first systematic evidence on how private equity (PE) vertical integration — owning the insurer, managing the CLO, and sponsoring the underlying borrowers — shapes insurer portfolios and CLO collateral. Using a difference-in-differences design, we find that acquisition by a PE sponsor that also manages CLOs raises the insurer's holdings of same-sponsor CLO tranches by roughly 20 percentage points within four years, whereas acquisition by a PE sponsor without a CLO platform produces a far smaller increase. Inside those CLOs, the three largest PE credit-platform sponsors allocate 5–8% of collateral to loans of their own portfolio companies. These effects compound at the most vertically integrated sponsor, whose affiliated insurers absorb a majority of insurer-held same-sponsor CLO principal and tilt toward riskier tranches.

Offshore Forwards and Exchange Rate Transmission in Emerging Markets

Abstract: We study how offshore non-deliverable forward (NDF) markets transmit exchange-rate pressures to domestic currency markets. Using unique transaction-level data on the universe of centrally cleared NDFs for ten emerging-market currencies over 2013–2025, we show that offshore NDF order flow moves both offshore forward and domestic spot exchange rates and widens the offshore–onshore forward spread. To our knowledge, this is the first transaction-level evidence on price formation in these markets. A $1 billion long-USD order flow depreciates the domestic spot rate by about 10 basis points and the offshore NDF rate by about 18 basis points. The spot impact is larger when dealer balance sheets are tight. Policy episodes in the Chinese renminbi, Malaysian ringgit, and Indian rupee show how changes in offshore speculative activity and arbitrage between offshore and onshore markets affect the spread and domestic exchange rates. We rationalize these findings with a model in which offshore demand pressure generates NDF order flow, dealers hedge inventory through domestic spot markets, and capital controls limit intermediation between offshore and onshore forward markets.

Last Updated: November 8, 2026