Zhou Ren

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Education

2026 (Expected) **Vienna Graduate School of Finance** Vienna, Austria
Doctoral Program (Ph.D.) in Finance

2025–2026(ongoing) **Kellogg School of Management, Northwestern University** Evanston, US
Visiting PhD student, Host: Zhengyang Jiang

2024 **Lundquist College of Business, University of Oregon** Eugene, US
Visiting PhD student, Host: Youchang Wu

2020 **Kiel Institute for the World Economy** Kiel, Germany
Advanced Studies Program in International Economic Policy Research

2018 **Humboldt University of Berlin** Berlin, Germany
MSc. in Economics

Research Fields

Macro-Finance, International Finance, Empirical Banking, Firm Dynamic

Job Market Paper

Real Effects of Bernanke-Kuttner: The Risk Channel of Monetary Policy Announcement on Corporate Investment
Solo-authored

Abstract: *The literature extensively documents that monetary policy announcements convey information that affects risk premia and investors' risk perceptions, yet little is known about how these shifts influence real activity. Exploiting aggregate news shocks (decomposed into policy rate, growth, and risk components) identified from price changes across asset classes during the FOMC announcement window, I provide plausibly causal evidence that news that increases perceived cash flow risk reduces subsequent corporate investment in tangible capital, with effects amplified among firms with a high debt burden. The results hold after controlling for policy rate surprises, isolating non-policy announcement risk news. Consistent with a flight to quality mechanism in credit markets, announcement risk increasing news raises external finance costs for firms with a high debt burden. These firms curtail net borrowing and build precautionary cash buffers, and their investment cuts are sharper and concentrated when debt maturities are short—i.e., when rollover risk is high. At the aggregate level, the investment response to announcement risk news is state dependent: it is larger when the fraction of firms with high rollover risk is higher. Unconditionally, the effect is statistically insignificant because these firms account for a small share of the tangible capital stock and therefore, on average, contribute little to aggregate investment.*

Presentation: VGSF PhD Seminar, FMA 2025 European Conference Doctoral Consortium, 2025 Spanish Finance Association Annual Meeting PhD Mentoring Day, DGF 2025 Doctoral Workshop, NFA 2025, SFA 2025(Scheduled), Paris December Finance Meeting 2025 (Scheduled), 2026 AFA Poster Session (Scheduled)

Grant: AFA PhD Travel Grant, NFA PhD Travel Grant

Working Papers

(* presented by co-authors)

Spillover Effects of Foreign Currency Loans: the Role of the Bank Lending Channel
R&R Journal of International Economics
with Palma Filep-Mosberger and Lorant Kaszab [Link to Paper]

Abstract: *Local currency borrowers are significantly affected by exchange rate fluctuations due to the bank lending channel. Using microdata on borrowers from Hungary, this study examines the spillover effects of foreign currency loans on local currency borrowers following an unexpected appreciation of the Swiss franc (CHF) in January 2015. Our analysis shows that banks with a higher share of unhedged CHF corporate loans (loans to firms without CHF income) reduced their lending in local currency corporate loans following the shock. This relationship is robust across both extensive and intensive margins. Further investigation into the mechanisms reveals that banks with more unhedged CHF corporate loans experience an increase in non-performing CHF loans post-shock, reducing their capital adequacy. Furthermore, the evidence in our paper suggests that reductions in banks' local currency lending due to exchange rate shocks adversely affect the investment activity of small firms and increase their likelihood of default.*

Presentation: VGSF Conference 2022, Hungarian Society of Economics Annual Meeting 2022*, 2023 FEBS, Vienna Symposium on FX Markets 2023 (Poster), EEA-ESEM 2023*, Annual Financial Market Liquidity Conference 2023, MNB seminar 2024*, Corvinus University 2024*

Investment Lumpiness and Equity Returns
with Lixing Wang and Youchang Wu [Link to Paper]

Abstract: *Using a stylized model of lumpy investment, we derive a novel measure of the expected distortion in firms' capital stock caused by fixed adjustment costs. We apply this measure to U.S. public firms, and find that a strategy that longs firms in industries with high fixed adjustment costs and shorts those in industries with low fixed adjustment costs yields an equal-weighted (value-weighted) CAPM alpha of 6.78% (5.50%) per annum. To account for this return spread, we develop a quantitative model that incorporates aggregate productivity shocks, aggregate adjustment friction shocks, and heterogeneous adjustment friction. Our model demonstrates that firms with high adjustment frictions exhibit both higher returns and lower market betas relative to their low-friction counterparts, consistent with the data.*

Presentation: Deutsche Bundesbank Summer School, 2024 Econometric Society European Winter Meeting, University of Oregon, 39th AWG Workshop, University of Texas at San Antonio*, Finance Theory Group Summer School 2025*, 2025 Spanish Finance Association Annual Meeting, 2025 MRS International Risk Conference, FMA 2025 (Scheduled)

The Political Origin of Credit Cycle
with Lixing Wang [Link to Paper]

Abstract: *We empirically establish a political-credit nexus, revealing that a decline in political popularity can lead to an increase in the private credit-to-GDP ratio among advanced economies. To explain this pattern, we develop a model in which governments hit by negative popularity shocks strategically relax credit policies when information asymmetries in financial markets are severe, using credit expansion as a politically salient instrument to offset approval declines and secure electoral advantages. When entry barriers are the dominant financial friction, by contrast, loosening credit is ineffective and governments rely instead on conventional fiscal tools. Consistent with the model, cross-country macroprudential data show that, in advanced economies, popularity declines predict systematic easing of macroprudential measures. This relationship is absent in emerging economies, where access frictions limit households' and firms' ability to enter credit markets.*

Presentation: VGSE Macro seminar, MNB institute, CESifo 16th Workshop on Political Economy, 2023 Meeting of the European Public Choice Society, NUS Macro Seminar*, 2024 AFA Poster Session

Extrapolative Beliefs, Strategic Complementarities, and Housing Booms
with Paul Mayer [Link to Paper]

Abstract: *We develop a housing-market model with incomplete information and extrapolative expectations. After observing a noisy signal about a common fundamental, agents rationally anticipate others' immediate price reactions and the implied current price while extrapolating these beliefs to future prices. This extrapolation leads to mutually reinforced incentives to participate in the housing market among both buyers and lenders as well as between the two groups. The model generates simultaneous increases in mortgage supply and housing demand, consistent with the build-up to the Global Financial Crisis. We discuss a variety of potential policies that curb the housing market from entering a boom phase, such as changes in the policy rate, transaction taxes, government guarantees, and price caps.*

Presentation: 5th Research in Behavioral Finance Conference, University of Oregon, VGSF PhD Seminar

Teaching

Principles of Capital Markets, WU Vienna University of Economics and Business
Winter 2021 (3 classes), Summer 2022 (2 classes), Winter 2023 (4 classes), Summer 2025 (4 classes)

Financial Management and Valuation, WU Vienna University of Economics and Business
Summer 2023 (2 classes)

Bachelor Thesis Supervision, WU Vienna University of Economics and Business
2022 to 2024, 7 students in total

Discussion

Prone to Contagion, by Duarte and Umar
MRS International Risk Conference 2025

Asset-class-specific Discount Rates, by Kuvshinov
the Annual Meeting of the Spanish Finance Association (AEFIN) 2025

Financial Shocks, Productivity, and Prices, by Lenzu, Rivers, Tielens and Hu
FMA European Conference 2025

Other Experience

Princeton Online Macrofinance Reading Group Since 2023

Macro, Money, and Finance: Online Summer School, by Markus Brunnermeier 2023

Organizer, WU Vienna Finance Brown Bag Seminar 2023-2024

Research Assistant to Guillermo Baquero, ESMT Berlin 2018-2020

Awards and Grants

AFA PhD Travel Grant 2026

NFA PhD Travel Grant 2025

WU Vienna Doctoral Mobility Scholarship 2024

WU Vienna International Research Fellowship 2024

AFA PhD Travel Grant, 2024

EFA PhD Travel Grant 2023

Skills

Software	R, Python, Stata, Matlab, LaTeX
Language	Chinese (native), English (fluent), German (Intermediate)

REFERENCES

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