Dolly Yu

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EDUCATION

Yale University, School of Management Expected May 2027
PhD Candidate in Financial Economics.
Committee: James Choi (Chair), Boris Vallée, Paul Goldsmith-Pinkham, Andrew Metrick, David Argente

Yale University May 2019
Master of Arts in International and Development Economics, High Distinction.

University of Toronto, St. George Campus June 2018
Honours Bachelor of Science in Economics and Statistics, CGPA: 3.90/4.00.

RESEARCH INTERESTS

Household Finance, Financial Innovation, Financial Intermediation

WORKING PAPERS

"The Shadow Cost of Credit Utilization: Payment Choice and Liquidity Management" (Job Market Paper)
with Jose Murillo (Primero AI)
We study how a household's credit capacity shapes its choice between credit and cash payments. Linking 1.5 million transactions to households' real-time credit position, we find that cash usage rises in a convex pattern with credit utilization. This convexity is consistent with a precautionary mechanism: as credit capacity shrinks, the marginal value of available credit rises, driving up the cost of credit even for households that pay their balance in full. Households that carry a balance face an additional interest cost and use cash more often at every utilization level. Bank-initiated credit limit increases causally reduce cash usage. Inverting cash shares yields a monetary estimate of this cost: drawing down an additional dollar of credit costs 28 cents on average, half from the precautionary channel. Taken together, these results show that payment choice, conditioned on transaction-level credit position, directly measures the shadow cost of borrowing capacity.

"Fintech to the (Worker) Rescue? Earned Wage Access, Worker Welfare and Employee Retention" [SSRN]
with Jose Murillo (Primero AI) and Boris Vallée (INSEAD)
We study the usage and welfare implications of earned wage access (EWA) using administrative and survey data from a Mexican FinTech provider. Adoption is significant, and usage concentrates at the end of the pay cycle. We develop a stationary buffer-stock framework, calibrated to the data, in which EWA provides liquidity insurance and consumption-timing alignment. Access is worth about 2.5% of a paycheck per year for the average user, and an order of magnitude more for impatient, low-liquidity workers. Automatic repayment makes these gains more robust to present bias than with revolving credit. EWA usage is associated with higher employee retention, as the framework implies.

"Riding the Waves: Geographic Diversification and Bank Responses to Local Funding Shocks"
with Wei Li (UIBE) and Mingmei Liu (JNU)
Best Paper Award, The 8th Asia Conference on Business and Economic Studies, 2026
How resilient are banks to local funding shocks? We exploit a segment of Chinese wealth management products (WMPs) funded locally but backed by national assets, allowing us to isolate banks' strategic responses to local funding pressures. Using city-level inflation to characterize investor demand shifts, we find that banks pass through approximately 60% of these shocks to WMP yields. Large, geographically diversified banks respond more actively, by raising yields and contracting issuance in shock-hit markets more sharply than smaller banks. They then hedge by expanding the issuance of lower-yield WMPs in unaffected regions. Our findings reveal that for large banks, geographic diversification is not a tool for passive insulation but a mechanism enabling active, high-frequency liability management through their internal capital markets.

WORK IN PROGRESS

“The Economics of Rent-to-Own Housing”
Documents product features and usage patterns of rent-to-own customers utilizing proprietary company data, and evaluates the optimality conditions for using rent-to-own contracts by calibrating a housing choice model.

“Mortgage Securitization and Housing Affordability”
with Daojing Zhai (Baruch)
Establishes the link between the rise of institutional investors in the single-family rental market and the small-dollar mortgage shortage, and discusses the falling convenience premium of private securitization as a channel in the post-crisis era.

OTHER WRITING

“A Case in Point: Shared Home Equity” [HBS Publishing]
with Boris Vallée, Daniel Green, and Sid Beaumaster (all HBS). Harvard Business School Case 221-026

“Seso Global: Building a Blockchain-enabled Property Marketplace in Nigeria” [HBS Publishing]
with Boris Vallée (HBS). Harvard Business School Case 220-055

CONFERENCE AND SEMINAR PRESENTATIONS

2026
Asian Meeting of the Econometric Society*
The 8th Asia Conference on Business and Economic Studies*
Peking University FinTech Workshop*
SGF Conference
Midwest Finance Association (MFA)
Yale Finance Lunch

2025
Paris December Finance Meeting*
European Winter Meeting of the Econometric Society (EWMES)*
Sydney Banking and Financial Stability Conference*
Yale Finance Lunch (x2)

2024
Yale Finance Lunch (x2)

2023
NBER Innovative Data in Household Finance
Yale Finance Lunch (x2)

2021
HBS Brownbag*

** Presented by co-author*

HONORS AND AWARDS

PhD Fellowship, Yale University	2021 – present
Best Paper Award, The 8th Asia Conference on Business and Economic Studies	2026
New College Council In-Course Scholarship, University of Toronto	2016
Dean's List Scholar, University of Toronto	2015, 2016, 2018

TEACHING EXPERIENCE

Teaching Fellow, Yale University

- Household Finance (PhD)
- Personal Finance (MBA)
- Fixed Income Securities I (MBA)
- Capital Markets (MBA)

RESEARCH EXPERIENCE

Research Associate, Harvard Business School July 2019 – June 2021

to Professor Boris Vallée and Jonas Heese

Selected Research Acknowledgements:
"Can Security Design Foster Household Risk-Taking?" (Journal of Finance, 2023)
"FinTech Lending and Cashless Payments" (Journal of Finance, 2026)

PROFESSIONAL EXPERIENCE

Summer Intern, Chang'an International Trust, Qingdao, China May 2016 – July 2016

UNIVERSITY AND COMMUNITY SERVICE

Mentor, Economic Students' Association Mentorship Program September 2017 – May 2018

REFERENCES AND DISSERTATION COMMITTEE

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