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## **STOCKHOLM SCHOOL OF ECONOMICS**

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### **Current Appointments**

Assistant Professor of Finance, Stockholm School of Economics, 2016-present  
Research Fellow, Swedish House of Finance (SHoF), 2016-present  
Research Affiliate, Centre for Economic Policy Research (CEPR), 2016-present  
Member, Committee on Monetary Theory and Policy (German Economic Association), 2018-present

### **Past Appointments**

Visiting Scholar, INSEAD (Fontainebleau), Fall 2015  
University Lecturer in Finance, University of Cambridge (Judge Business School), 2013-2016

### **Education**

Ph.D., Economics, New York University, 2008-2013  
Thesis title: *Essays on the Real Effects of Financial Contracting*  
Visiting Ph.D., Finance & Economics, Massachusetts Institute of Technology (Sloan), 2010-2011  
M.Sc. & Diploma, Econometrics & Mathematical Economics, London School of Economics, 2006-2008  
Diplom-Kaufmann (M.Sc. in Management), WHU – Otto Beisheim School of Management, 2002-2006

### **Research Fields**

Corporate Finance, Banking and Financial Intermediation, Financial Development

### **Academic Presentations**

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| 2019                       | Econometric Society North American Winter Meeting, University of Duisburg-Essen, Banque de France (Autorité de contrôle prudentiel et de résolution), University of Geneva, Norges Bank  |
| 2018 (including scheduled) | AFA, German Economic Association (Committee on Monetary Theory and Policy), Bundesbank, Frankfurt School & VU conference on “Bank business models: structural changes and their systemic implications,” Swiss Winter Conference on Financial Intermediation, Frankfurt School of Finance & Management, Deutsche Bundesbank, CEPR Annual Spring Symposium in Financial Economics, UPF-EuroFIT Workshop on “Financial intermediation and risk,” Mitsui Finance Symposium: Labor and Corporate Finance, UBC Summer Finance Conference, German Economic Association Annual Meeting, Endless Summer Conference on Financial Intermediation and Corporate Finance, Boston University, Banco de Portugal, INSEAD, University of Maryland, Chicago Fed |
| 2017                       | AFA, Jackson Hole Finance Conference, IFN Stockholm, Swedish Ministry of Finance, European Winter Finance Summit, Bank for International Settlements, CEPR Annual Spring Symposium in Financial Economics, Cambridge (Macro Lunch), University of Kentucky Finance   |

- Conference, Marstrand Finance Conference, CEPR European Summer Symposium in Financial Markets (evening session), IWH-FIN-FIRE workshop on “Challenges to financial stability,” FDIC/JFSR Annual Bank Research Conference, University of Mannheim, EIEF Rome, 9<sup>th</sup> European Banking Center Network Conference, WFA-CFAR & JFI conference on “The post-crisis evolution of financial services and developments in bank and non-bank financial intermediation,” Banque de France & TSE conference on “Financial structure, financial stability and the economy,” Halle Institute for Economic Research (IWH), Bocconi University, Arne Ryde Conference on Financial Intermediation, WHU, Sveriges Riksbank, 4<sup>th</sup> CSEF conference on “Bank performance, financial stability and the real economy,” Deutsche Bundesbank (German Economists Abroad)
- 2016 FIRCG Conference (University of Melbourne), EBRD, KU Leuven, Cambridge (Macro Lunch), Edinburgh Conference on Legal Institutions and Finance, LBS Summer Finance Symposium (informal session), WFA, CEPR European Summer Symposium in Financial Markets (evening session), Sveriges Riksbank, Fed Board, University of Maryland, Georgetown University, Annual Notre Dame Conference on Current Topics in Financial Regulation, University of St Andrews, ECB conference on “Monetary policy pass-through and credit markets,” University of Bonn, Bank of England, University of Mannheim, Goethe University Frankfurt, Stockholm University (SOFI), DIW Berlin (German Economists Abroad)
- 2015 European Winter Finance Conference, Swiss Winter Conference on Financial Intermediation, Sciences Po/PSE, ESMT Berlin, Stockholm School of Economics, University of Zurich, Annual Cambridge-Princeton Conference, University of Geneva, Université Paris-Dauphine, INSEAD, HEC Paris, University of Luxembourg, EuroFIT Research Workshop on Syndicated Loans (London Business School), LMU Munich (German Economists Abroad)
- 2014 Jackson Hole Finance Conference, Brown University, LBS Summer Finance Symposium (informal session), FDIC/JFSR Annual Bank Research Conference, Annual Cambridge-Princeton Conference, Bocconi-CAREFIN International Banking Conference, Boston University, Cambridge (Macro Lunch)
- 2013 HEC Paris, London Business School, Cambridge (Judge Business School, Faculty of Economics), Stockholm School of Economics, Brown University, New York Fed, University of Illinois at Urbana-Champaign, Fed Board, Philadelphia Fed, EIEF Rome, Collegio Carlo Alberto, University of Amsterdam, University of Wisconsin-Madison, Brandeis University, London Business School (Financial Intermediation Theory Workshop), NEUDC Conference (Harvard University), University of Konstanz (German Economists Abroad)
- 2012 AEA, Econometric Society North American Winter Meeting, NYU (Development & International Economics), University of Zurich, CEPR/AMID Development Economics Symposium (Bocconi), NYU Stern (Finance, Micro Lunch), NYU (Applied Micro, Macro Lunch), Boston Fed, University of Cologne (German Economists Abroad)
- 2011 MIT (Development Lunch), MIT Sloan (Finance Lunch), NYU Stern (Finance), Harvard University (Finance Lunch), London Business School (Trans-Atlantic Doctoral Conference), SED, NBER Summer Institute (Income Distribution & Macroeconomics), Stony

2010 Brook Game Theory Festival (Workshop on Game Theory in Trade & Development), Stanford Institute for Theoretical Economics Summer Workshop (Experimental Economics), Columbia GSB (Finance), ESMT Berlin (German Economists Abroad)  
 IZA Bonn, London Business School (Trans-Atlantic Doctoral Conference), ESMT Berlin, University of Cologne, Harvard University (Development Lunch), Boston College (Labor Lunch), NYU (Micro Lunch), Goethe University Frankfurt (German Economists Abroad)

2007-2009 University of Chicago, Harvard Kennedy School, NYU (Micro Lunch)

### **Professional Activities**

Refereeing *American Economic Review, Economic Notes, European Financial Management, European Research Council, Financial Management, German National Academic Foundation, Journal of Banking & Finance, Journal of Development Economics, Journal of Economics and Business, Journal of Empirical Finance, Journal of Finance, Journal of Financial and Quantitative Analysis, Journal of Financial Intermediation, Journal of Human Resources, Journal of Industrial Economics, Journal of the European Economic Association, Journal of Monetary Economics, Management Science, Review of Corporate Finance Studies, Review of Finance, Review of Financial Studies, Swiss National Science Foundation*

Discussions EFA 2013, NEUDC Conference 2013, LBS Summer Finance Symposium 2014, Cambridge Corporate Finance Theory Symposium 2014, CEPR ESSFM 2015, EFA 2015, European Winter Finance Conference 2016, FIRCG Conference 2016, LBS Financial Intermediation Conference 2016, FIRS 2016, Edinburgh Conference on Legal Institutions and Finance 2016, LBS Summer Finance Symposium 2016, Barcelona GSE Summer Forum 2016, CEPR ESSFM 2016, EFA 2016, CEPR ESSIM 2017, Barcelona GSE Summer Forum 2017, EFA 2017, BIS 2017 conference on “The impact of banking regulation on financial markets,” Arne Ryde Conference on Financial Intermediation 2017, CSEF 2017 conference on “Bank performance, financial stability and the real economy,” European Winter Finance Conference 2018, FIRS 2018

Program committee 3<sup>rd</sup> Geneva Summit on Sustainable Finance 2016, EFA 2016, IBEFA/ASSA 2017, EFA 2017, FIRS 2018, EFA 2018, NFA 2018, MFA 2019, FIRS 2019

### **Awards and Honors**

2018 Nasdaq Nordic Foundation research grant (SEK 500,000, with Adrien d’Avernas), Fondation Banque de France research grant (€ 30,000, with Bo Becker and Marcus Opp), Banco de Portugal grant for visiting researchers, Fondation Banque de France visiting scholarship

2017 BSc Teacher of the Year award (Stockholm School of Economics), Jensen Prize for the best paper published in the *Journal of Financial Economics* in the areas of corporate finance and organizations (1<sup>st</sup> place)

2016, 2017 SSE conference scholarship

2014 Cambridge Endowment for Research in Finance (CERF) fellowship

2013 CERF award (£ 29,876), Keynes Fund award (£ 29,876), *Journal of the European Economic Association* (JEEA) Excellence in Refereeing

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|------|---|
|      | Award   |
| 2012 | AFA Student Travel Grant  |
| 2011 | NSF Fellow for the 4 <sup>th</sup> Lindau Meeting of Nobel Laureates in Economic Sciences, Best Paper Award – Trans-Atlantic Doctoral Conference at London Business School                    |
| 2010 | German National Academic Foundation – Hamburg scholarship   |
| 2009 | Harvard University – Women & Public Policy Program Fellowship   |
| 2008 | NYU (Graduate School of Arts & Science) – Henry M. MacCracken Fellowship, German National Academic Foundation – European Recovery Program (Marshall Fund) scholarship                         |
| 2007 | German Academic Exchange Service (DAAD) graduate scholarship, BERR (Department for Business, Enterprise & Regulatory Reform) postgraduate employment research scholarship, Distinction at LSE |
| 2005 | Fastest student at WHU with highest GPA at time of completion   |

### **Publications**

*Do Universal Banks Finance Riskier But More Productive Firms?* (with Daniel Neuhann), *Journal of Financial Economics*, April 2018, 128(1), 66-85.

*Target Revaluation after Failed Takeover Attempts: Cash versus Stock* (with Ulrike Malmendier and Marcus Opp), *Journal of Financial Economics*, January 2016, 119(1), 92-106.

*Understanding the Gender Pay Gap: What's Competition Got to Do with It?* (with Alan Manning), *Industrial and Labor Relations Review*, July 2010, 63(4), 681-698.

### **Working Papers**

*Life Below Zero: Bank Lending Under Negative Policy Rates* (with Florian Heider and Glenn Schepens), conditionally accepted, *Review of Financial Studies*

We show that negative policy rates affect the supply of bank credit in a novel way. Banks are reluctant to pass on negative rates to depositors, which increases the funding cost of high-deposit banks, and reduces their net worth, relative to low-deposit banks. As a consequence, the introduction of negative policy rates by the European Central Bank in mid-2014 leads to more risk taking and less lending by euro-area banks with greater reliance on deposit funding. Our results suggest that negative rates are less accommodative, and could pose a risk to financial stability, if lending is done by high-deposit banks.

*Shock Propagation and Banking Structure* (with Mariassunta Giannetti), revise & resubmit, *Review of Financial Studies*

We explore whether lenders' decisions to provide liquidity in periods of distress are affected by the extent to which they internalize the negative spillovers of industry downturns. We conjecture that high-market-share lenders are more likely to internalize negative spillovers, and show that they provide liquidity to industries in distress when fire sales are likely to ensue. High-market-share lenders also provide liquidity to customers and suppliers of distressed industries when the disruption of supply chains is expected to be costly. Our results suggest a novel channel explaining why credit concentration may favor financial stability.

*How Does Firms' Innovation Disclosure Affect Their Banking Relationships?* (with Alminas Žaldokas), revise & resubmit, *Management Science*

Firms face a trade-off between patenting, thereby disclosing innovation, and secrecy. We show that this

trade-off interacts with firms' financing choices, as public-information provision through patents and private information in financial relationships are substitutes. As a shock to innovation disclosure, we study the American Inventor's Protection Act that made firms' patent applications public 18 months after filing, rather than when granted. Such increased innovation disclosure helped firms switch lenders, resulting in lower cost of debt. Our evidence lends support to the idea that lenders derive rents from informational monopolies when firms seek to finance innovation.

*The Effects of Credit Supply on Wage Inequality between and within Firms* (with Christian Moser and Benjamin Wirth)

In this paper, we study the effect of a credit supply shock on the distribution of wages within and between firms. To this end, we construct a novel dataset combining administrative linked employer-employee data with information on firms' preexisting bank relationships in the syndicated-loan market. We use the introduction of negative monetary policy rates in the euro area as a source of variation in banks' credit supply to firms in Germany. We find that this credit supply shock leads to higher within-firm wage inequality at more affected employers. At the same time, we find a reduction in between-firm wage inequality due to average wages increasing more among initially lower-paying employers.

*The Effect of Capital Regulation on Asset Allocation in the Insurance Industry* (with Bo Becker and Marcus Opp)

This paper identifies the role of capital regulation for long-term asset allocation by institutional investors. We exploit a recent regulatory reform aimed at replacing credit ratings, affecting U.S. insurance companies' capital requirements for mortgage-backed securities (MBS). We argue theoretically and provide empirical evidence that this reform substantially reduces capital requirements for MBS. This, in turn, leads insurers to hold on to these structured securities, and to increase their participation in newly issued high-yield MBS. Following the regulatory reform, the share of insurer holdings in newly issued high-yield MBS increases by at least 16 percentage points. Our findings attest to the importance of regulatory-capital constraints for risk taking by large institutional investors.

*Bank Concentration and Product Market Competition* (with Daniel Streitz)

This paper documents that concentration in the banking sector is associated with less competitive product market outcomes in non-financial sectors. We argue that a distinguishing feature of credit concentration is the higher incidence of competing firms sharing common lenders, which lowers the cost of debt financing in an industry. This is because common lenders internalize potential adverse effects of higher loan rates on the product market behavior among their competing borrowers. Exploiting plausibly exogenous variation in banks' industry market shares stemming from bank mergers, we find that high-market-share lenders charge lower loan rates. The effect is confined to industries with competition in strategic substitutes where negative output externalities would be greatest.

*Bank Deregulation and the Rise of Institutional Lending* (with Daniel Neuhann)

We study the determinants of increased participation of non-bank financial intermediaries in the market for syndicated loans prior to the 2008 financial crisis. Institutional investors who do not have monitoring expertise disproportionately purchase loan tranches originated by banks able to offer both loans and underwriting services to firms. Our argument is that non-loan exposures to firm performance ensure monitoring incentives even when banks retain small loan shares. Since such universal banking was permitted only after the repeal of the Glass-Steagall Act, our findings suggest a direct link from bank deregulation to the rise of non-bank intermediaries.

*Informational Inequity Aversion and Performance* (with Iris Bohnet), revise & resubmit, *Journal of Economic Behavior & Organization*

In labor markets, some individuals have, or believe to have, less data on the determinants of success than others, e.g., due to differential access to technology or role models. We provide experimental evidence on when and how informational differences translate into performance differences. In a laboratory tournament setting, we varied the degree to which individuals were informed about the effort-reward relationship, and whether their competitor received the same or a different amount of information. We find performance is adversely affected only by worse relative, but not absolute, informedness. This suggests that inequity aversion applies not only to outcomes but also to information that helps achieve them, and stresses the importance of inequality in initial information conditions for performance-dependent outcomes.

*Informal Finance, Risk Sharing, and Networks: Evidence from Hunter-Gatherers*

This paper analyzes the relationship between informal finance and the risk-sharing properties of networks. I show that in addition to sharing idiosyncratic risk, network members can also support one another in dealing with aggregate shocks. To identify this, I use data from an Amazonian foraging-farming society, and exploit a flood shock in 2006. Villagers outside the network demanded significantly more credit following the flood than did network members, suggesting that networks allow their members to cope with aggregate shocks through non-financial resources rather than through costly loans. The increased credit demand by villagers outside the network was in turn served through a temporary extension of network benefits across the two groups.

*Inequality, Relative Income, and Human Capital Investment* (with Jere Behrman, Ricardo Godoy, and Eduardo Undurraga)

Do investment responses to income transfers depend on the implied level of redistribution because of social comparisons? In a field experiment in 53 villages of an Amazonian foraging-farming society, we allocated substantial in-kind transfers, varied their associated degree of village income inequality, and measured the short-run effects on individual-level determinants of development. We find that the poorest households invested significantly less in human capital and engaged less with the labor market under an inequality-reducing treatment than under income-distribution neutrality. Our evidence suggests that inequality shapes the development process through social comparisons, and has implications for the effectiveness of transfer programs.

**Teaching Experience**

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| Fall 2017          | Financial Stability and Regulation (M.Sc.), Stockholm School of Economics, Instructor         |
| Spring & Fall 2017 | Financial Intermediation (B.Sc.), Stockholm School of Economics, Instructor                   |
| Spring 2015        | Mergers & Acquisitions (MBA and MFin), Cambridge, Instructor                                  |
| Spring 2012        | Intermediate Microeconomics (Undergraduate), NYU, Teaching Assistant for Professor Ahu Gemici |

**Main Advisor(\*)/Committee Member (University of Cambridge)**

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| Ph.D. in Economics (2015)   | James Brugler (Assistant Professor, University of Melbourne) |
| M.Phil. in Finance (2015)   | Thilo Kind* (Ph.D. student, London Business School)          |
| M.Phil. in Economics (2014) | Sören Riebeling* (Analyst, Goldman Sachs, London)            |