

# Matteo Crosignani

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Federal Reserve Board  
Monetary Affairs, Money Market Analysis  
Office B-3116-E  
Constitution Ave NW & 20th St NW  
Washington, DC 20551

[matteocrosignani.com](http://matteocrosignani.com)  
[matteo.crosignani@frb.gov](mailto:matteo.crosignani@frb.gov)  
+1(202)452-2892  
[google scholar](#)  
[ssrn](#)

- EMPLOYMENT**      **Board of Governors of the Federal Reserve System**, Washington, DC  
Economist, Monetary Affairs Division, Sep 2016 -
- EDUCATION**      **New York University Stern School of Business**, New York, NY  
Ph.D., Finance, Sep 2011 - May 2016  
Dissertation: *“Essays in Financial Institutions and Central Banking”*  
Committee: Viral Acharya (chair), Philipp Schnabl (chair), Alexi Savov, Andres Liberman
- London School of Economics and Political Science**, London  
M.Sc., Finance and Economics, (Research Track), Sep 2010 - Jun 2011
- Columbia University**, New York, NY  
Exchange Student, Economics, Jan 2010 - May 2010
- Università Commerciale L. Bocconi**, Milan  
B.Sc., Economics, Sep 2007 - Jul 2010
- RESEARCH INTERESTS**      Transmission of Monetary Policy, Macroprudential Regulation  
Financial Intermediation, Bank Portfolio Choice  
Sovereign Crises, Government Bond Markets, Sovereign Debt Capacity
- PRIZES AND AWARDS**      Young Economist Award, ECB Forum on Central Banking, 2016  
Edwin Elton Prize for the Best Finance Job Market Paper, 2015  
3rd SUERF/UniCredit & Universities Foundation Research Prize, 2015  
Klaus Liebscher Award, 2015  
NYU Stern Teaching Commendation, 2014  
D. Graifman Memorial Award for the Best 2<sup>nd</sup> Year Summer Paper in Finance at Stern, 2013
- FELLOWSHIPS AND GRANTS**      Jules Bogen Fellowship, 2015-2016  
Macro Financial Modeling Group (Becker Friedman Institute) Dissertation Fellowship, 2014  
Unicredit & Universities Crivelli Europe, Runner-up, 2012  
NYU Stern School-wide Doctoral Fellowship, 2011-2015  
Ph.D. Director’s Fellowship, 2011-2015
- WORKING PAPERS**      **1) The Effect of Central Bank Liquidity Injections on Bank Credit Supply** (with Luisa Carpinelli), March 2017
- *AFA 2017*
  - *Young Economist Award, ECB Forum on Central Banking, 2016*
  - *Edwin Elton Prize for the Best NYU Stern Finance Job Market Paper*
  - *Media Coverage: Wall Street Journal*

*Abstract:* We study the effectiveness of central bank liquidity injections in restoring bank credit supply following a wholesale funding dry-up. We combine borrower-level data from the Italian credit registry with bank security-level holdings and analyze the transmission of the European Central Bank three-year Long Term Refinancing Operation. Exploiting a regulatory change that expands eligible collateral, we show that banks more affected by the dry-up use this facility to restore their credit supply, while less affected banks use it to increase their holdings of high-yield government bonds. Unable to switch from affected banks during the dry-up, firms benefit from the intervention.

## **2) Why Are Banks Not Recapitalized During Crises?, July 2017**

- *Revision requested at the Journal of Financial Economics*
- *EFA 2016, OxFIT 2016, Barcelona GSE Summer Forum 2015*
- *Shortlisted, Teke van den Burg Prize for Research on Systemic Risk, 2016*
- *2015 Klaus Liebscher Award*

*Abstract:* I develop a model where the sovereign debt capacity depends on the capitalization of domestic banks. Low-capital banks optimally tilt their government bond portfolio toward domestic securities, linking their destiny to that of the sovereign. If the sovereign risk is sufficiently high, low-capital banks reduce private lending to further increase their holdings of domestic government bonds, lowering sovereign yields and supporting the home sovereign debt capacity. The model rationalizes, in the context of the eurozone periphery, the increase in domestic government bond holdings, the reduction of bank credit supply, and the prolonged fragility of the financial sector.

## **3) The (Unintended?) Consequence of the Largest Liquidity Injection Ever (with Miguel Faria-e-Castro and Luis Fonseca), November 2017**

- *AFA 2016, SED 2016, CFIC 2017*
- *3rd SUERF/UniCredit & Universities Foundation Research Prize, 2015*
- *Media Coverage: Wall Street Journal, Frankfurter Allgemeine Zeitung*

*Abstract:* We study the design of lender of last resort interventions and show that the provision of long-term liquidity incentivizes purchases of high-yield short-term securities by banks. Using a unique security-level dataset, we find that the European Central Bank's three-year Long-Term Refinancing Operation incentivized Portuguese banks to purchase short-term domestic government bonds that could be pledged to obtain central bank liquidity. This "collateral trade" effect is large, as banks purchased short-term bonds equivalent to 8.4% of amounts outstanding. The steepening yield curve and the resumption of public debt issuance are consistent with the equilibrium effects of the collateral trade.

## **4) The Anatomy of the Transmission of Macroprudential Policies: Evidence from Ireland (w. Viral Acharya, Katharina Bergant, Tim Eisert, Fergal McCann), December 2017**

*Abstract:* We provide a comprehensive analysis of the transmission of macroprudential policies aimed at limiting bank risk-taking in residential real estate. Combining supervisory loan- and security-level data, we examine the effect of loan-to-income and loan-to-value limits on residential mortgages issued by Irish banks after February 2015 on household access to credit, bank risk-taking, and real estate prices. We find that, in response to the macroprudential policy, low income households borrow less and banks reduce the rate charged to high income households who lever up taking out larger loans. The resulting credit reallocation is effective in slowing down the ongoing house price appreciation and causes banks to increase their risk-taking in both corporate credit and holdings of securities.

OTHER PAPERS

**5) The Portuguese Banking System During the Sovereign Debt Crisis, with Miguel Faria-e-Castro and Luis Fonseca, *Banco de Portugal Economic Studies*, 1(2), pp. 43-80, July 2015**

## CITATIONS

Google Scholar: 96 citations, h-index 4, i10-index 3

- *Why Are Banks Not Recapitalized During Crises?* (42)
- *The Effect of Central Bank Liquidity Injections on Bank Credit Supply* (26)
- *The (Unintended?) Consequence of the Largest Liquidity Injection Ever* (21)
- *The Portuguese Banking System During the Sovereign Debt Crisis* (7)

## PRESENTATIONS

\*conference by  
co-author

### 2018

*Conferences:* Federal Reserve System “Day-Ahead” Conference (Philadelphia)\*, Midwest Finance Association Meetings (invited session).

*Seminars:* Reserve Bank of India, Johns Hopkins Carey.

### 2017

*Conferences:* American Finance Association Meetings, Macro Financial Modeling Winter Meeting, Chicago Financial Institutions Conference\*, RFS Banks and Systemic Risk Measurement and Mitigation Conference (Rome), Irish Economic Association Annual Conference\*, North American Summer Meetings of the Econometric Society, Banco de Portugal Conference on Financial Intermediation\*, Yale Program on Financial Stability (YPFS) Conference, Norges Bank Workshop on Housing and Household Finance\*, Oxford-NY Fed Monetary Economics Conference\*, Basel Committee-CEPR “The Impact of Banking Regulation on Financial Market” Conference\*, Baffi Carefin Conference (Bocconi), CREDIT “Interest Rates, Growth, and Regulation” Conference\*, “Bank Performance, Financial Stability and the Real Economy” (CSEF)\*, “Financial Regulation: Fit for the Future?” Conference (Atlanta Fed), Meeting of German Economists Abroad (Bundesbank)\*.

*Seminars:* New York Fed, Federal Reserve Board, Michigan Ross.

### 2016

*Conferences:* American Finance Association Meetings\*, Third International Conference on Sovereign Bond Markets, 5th MoFiR Workshop on Banking\*, Marco Fanno Alumni Workshop, European Finance Association Meetings, Third ECB Forum on Central Banking (Sintra), Society for Economic Dynamics Annual Meeting, Fifth Oxford Financial Intermediation Theory (OxFIT) Conference, Yale Program on Financial Stability (YPFS) Conference\*, Baffi Carefin Banking Conference (Bocconi), CREDIT “New Credit Solutions for the Real Economy”\*, 4th Workshop in Macro Banking and Finance (Rome)\*, European Banking Center Network Conference (Tilburg), Atlanta Fed “The Impact of Extraordinary Monetary Policy on the Financial Sector” Conference, Workshop on Empirical Monetary Economics (Sciences Po)\*.

*Seminars:* Rochester Simon, European Central Bank, UCLA Anderson, McGill Desautels, Boston Fed, Fed Board, Fordham Gabelli, NYU Stern.

### 2014-2015

*Conferences:* MFM Winter Group Meeting, Barcelona GSE Summer Forum, London Business School TADC, First ECB Forum on Central Banking (Sintra)\*, Second ECB Forum on Central Banking (Sintra)\*, Ninth Annual Meeting of the Portuguese Economic Journal\*, 3rd NYU Economics Alumni Conference\*, Second Belgrade YEC, Finance, Economics Graduate Student Conference (WashU)\*, Bocconi-Carefin Conference, Capital Reallocation and Growth 1st FGN Conference (University of St. Gallen and CEPR).

*Seminars:* NYU Stern, NYU Econ, Universiteit van Amsterdam.

## DISCUSSIONS

including scheduled

1) Whatever it Takes: The Real Effects of Unconventional Monetary Policy, by Acharya, Eisert, Eufinger, and Hirsch, *Western Finance Association Meeting*, June 2017.

2) Inefficient Banking, by Begenau and Stafford, *Regulating Financial Markets Conference (Frankfurt)*, June 2017.

3) Does a Larger Menu Increase Appetite? Collateral Eligibility and Bank Risk-Taking, by Van Bakkum, Gabarro, Irani, *Baffi Carefin Annual International Banking Conference (Bocconi)*, October 2016.

- 4) Surviving the Perfect Storm: The Role of the Lender of Last Resort, by Alves, Bonfim, Soares, *Monetary Policy Implementation in the Long Run (Minneapolis Fed)*, October 2016.
- 5) Lending Standards Over the Credit Cycle, by Rodano, Serrano-Velarde, Tarantino, *European Finance Association Meetings (Oslo)*, August 2016.
- 6) Lending-of-last-resort is as Lending-of-last-resort Does: Central Bank Liquidity Provision and Interbank Market Functioning in the Euro Area, by Garcia-de-Andoain, Heider, Hoerova, Manganelli, *Regulating Financial Markets Conference (Frankfurt)*, May 2016.

REFEREING *Review of Economic Studies, Journal of Finance, Journal of Monetary Economics, Journal of Financial Economics, Review of Financial Studies, Review of Finance, Journal of Financial and Quantitative Analysis, Journal of the European Economic Association, Journal of Banking and Finance, International Journal of Central Banking, Journal of Financial Stability, Economica.*

INVITED WORKSHOPS Macro Financial Modeling Winter Meeting, New York, March 2017  
 Micro Foundations for Macro Finance, NYU Stern Solomon Center, April 2016  
 Macro Financial Modeling Winter Meeting, New York, January 2016  
 NBER Summer Institute, Corporate Finance, June 2015  
 Macro Financial Modeling Winter Meeting, New York, March 2015  
 CEPR Micro Foundations for Macro Finance, Universiteit van Amsterdam, August 2014  
 Paul Woolley Centre for the Study of Capital Market Dysfunctionalit, LSE, June 2013

MEDIA COVERAGE Wall Street Journal, April 2017; VoxEU.org, April 2017; Wall Street Journal, February 2017; Il Sole 24 Ore, October 2016; Frankfurter Allgemeine Zeitung, January 2016.

TEACHING EXPERIENCE **Instructor**  
 TRIUM EMBA Finance Pre-Module Tutorial, Spring 2015  
 Foundations of Finance, UG, Summer 2014  
*Awarded Teaching Commendation*

**Teaching Assistant**  
 Sovereign and Financial Credit Risk, Ph.D., Prof. Viral V. Acharya, Fall 2015  
 Credit Risk, MBA Winter Intensive, Prof. Viral V. Acharya, Winter 2015  
 Foundations of Finance, Trium EMBA, Prof. Robert F. Whitelaw, Winter 2015  
 Foundations of Finance, UG and MBA, Prof. Jeffrey Wurgler, Spring 2014  
 Foundations of Finance, MBA, Prof. Orly Sade, Summer 2013  
 Behavioral Finance, UG and MBA, Prof. Jeffrey Wurgler, Spring 2013  
 Advanced Futures and Options, MBA, Prof. Marti G. Subrahmanyam, Fall 2013

NON ACADEMIC POSITIONS **JP Morgan**, London  
 Intern, Interest Rates Strategy, Summer 2011

REFERENCES **Prof. Viral Acharya**  
 Leonard N. Stern School of Business  
 New York University  
 44 West Fourth Street, Suite 9-190  
 Email: [vacharya@stern.nyu.edu](mailto:vacharya@stern.nyu.edu)  
 Tel: (212)998-0354

**Prof. Philipp Schnabl**  
 Leonard N. Stern School of Business  
 New York University  
 44 West Fourth Street, Suite 9-76  
 Email: [schnabl@stern.nyu.edu](mailto:schnabl@stern.nyu.edu)  
 Tel: (212)998-0356

**Prof. Alexi Savov**

Leonard N. Stern School of Business  
New York University  
44 West Fourth Street, Suite 9-85  
Email: [asavov@stern.nyu.edu](mailto:asavov@stern.nyu.edu)  
Tel: (212)998-0311

**Prof. Andres Liberman**

Leonard N. Stern School of Business  
New York University  
44 West Fourth Street, Suite 9-53  
Email: [aliberma@stern.nyu.edu](mailto:aliberma@stern.nyu.edu)  
Tel: (212)998-0322

LANGUAGES       $\LaTeX$ , Matlab, Python, STATA  
PERSONAL        Born July 23, 1988. Italian citizen. H-1B VISA  
OTHER            Tennis player. Highest rankings: 2.8 (Italy), 3.1 (UK), 5.5 NTRP (US)