

# Alexia Ventula Veghazy

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## Education

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| Goethe University, Frankfurt, GSEFM program, PhD in Economics<br><i>Expected completion: June 2023</i> | 2017 - current |
| Stanford University, Visiting PhD Student  | 2021 - 2022    |
| University of Zurich, Visiting PhD Student   | 2020 - 2021    |
| Barcelona Graduate School of Economics, MSc in Specialized Economic Analysis                           | 2013 - 2014    |
| Universitat Pompeu Fabra, BSc in Law   | 2009 - 2013    |
| Universitat Pompeu Fabra, BSc in Economics   | 2007 - 2011    |

## References

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Professor Ester Faia  
Goethe University, Frankfurt  
[faia@wiwi.uni-frankfurt.de](mailto:faia@wiwi.uni-frankfurt.de)

Professor Steven Ongena  
University of Zurich  
[steven.ongena@bf.uzh.ch](mailto:steven.ongena@bf.uzh.ch)

Professor Juliana Salomao  
University of Minnesota  
[jsalomao@umn.edu](mailto:jsalomao@umn.edu)

Tobias Linzert, PhD, Advisor  
European Central Bank  
[Tobias.Linzert@ecb.europa.eu](mailto:Tobias.Linzert@ecb.europa.eu)

## Research Interests

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Primary: Monetary Policy, International Finance  
Secondary: Macro-finance, Financial Economics

## Job Market Paper

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Fragmentation in Euro Area Banks' Sovereign Bond Portfolios and Its Impact on International Pricing

## Working Papers

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Faia, E., J. Salomao. and A. Ventula Veghazy (2022). [Granular Investors and International Bond Prices: Scarcity-Induced Safety](#). *CEPR Discussion Paper No. 17454*.

With a unique dataset of euro area corporate bonds we study the role of large heterogeneous investors' demand on currency pricing. We document that while insurance and pension funds exhibit strong preferences for holding assets issued by local firms and denominated in home currency; mutual funds do not. Motivated by this segmentation, we estimate the impact of investor demand on euro-dollar return differentials (hedged and unhedged) for given security and issuer. These differentials decline as ECB asset purchases induce a drain in euro securities. A dynamic portfolio optimization

model of bonds in different currencies, where heterogeneous risk-attitudes lead to UIP deviations and regulation to CIP ones, accounts for the facts.

[Central bank digital currency and bank intermediation \(2022\)](#). *ECB Occasional Paper Series No 286*.

In July 2021 the Eurosystem decided to launch the investigation phase of the digital euro project, which aims to provide euro area citizens with access to central bank money in an increasingly digitalised world. While a digital euro could offer a wide range of benefits, it could prompt changes in the demand for bank deposits and services from private financial entities (ECB, 2020a), with knock-on consequences for bank lending and resilience. By inducing bank disintermediation, a central bank digital currency, or CBDC, could in principle alter the transmission of monetary policy and impact financial stability. To prevent this risk, options to moderate CBDC take-up are being discussed widely. In view of the significant degree of uncertainty surrounding the design of a potential digital euro, its demand and the prevailing environment in which it would be introduced, this paper explores a set of analytical exercises that can offer insights into the consequences it could have for bank intermediation in the euro area. Based on assumptions about the degree of substitution between different forms of money in normal times, several take-up scenarios are calculated to illustrate how the potential demand for a digital euro might shape up. The paper then analyses the mechanisms through which commercial banks and the central bank could react to the introduction of a digital euro. Overall, effects on bank intermediation are found to vary across credit institutions in normal times and to be potentially larger in stressed times. Further, a potential digital euro's capacity to alter system-wide bank run dynamics appears to depend on a few crucial factors, such as CBDC remuneration and usage limits.

Bechtel, A., J. Eisenschmidt, A. Ranaldo and A. Ventula Veghazy (2021). [Quantitative Easing and the Safe Asset Illusion](#). *Working Papers on Finance No. 2021/10, University of St. Gallen*

The massive recourse to quantitative easing (QE) calls for a better understanding of its effects on safe assets. Based on a simple balance sheet framework, we show how QE impacts the total amount, cross-sectional distribution, and composition of safe assets in the economy. Analyzing the ECB's Public Sector Purchase Programme (PSPP), we find that the amount of universally accessible safe assets decreases and there is a transfer of safe assets from the non-bank to the banking sector. We call this phenomenon the safe asset illusion. The sectoral shift in the holding structure of safe assets has important implications for financial stability and the cost of secured liquidity.

Moreno, A., S. Ongena, A. Ventula Veghazy and A. Wagner (2021). [“Long GFC”? The Global Financial Crisis, health care, and COVID-19 deaths](#). *CEPR Discussion Paper 15900*.

Do financial crises affect long-term public health? To answer this question, we study the connection between the 2007-2009 Global Financial Crisis (GFC) and the 2020-2022 pandemic. Specifically, we examine the relation between macroeconomic and financial losses derived from the GFC, and the health outcomes associated with the first wave of the pandemic. At the European level, countries more affected by the financial crisis had more deaths relative to coronavirus cases. An analogous relation emerges across Spanish provinces and US states. Part of the transmission from finance to health outcomes appears to have occurred through cross-sectional differences in health care facilities.

Kedan, D. and A. Ventula Veghazy (2021). [The implications of liquidity regulation for monetary policy implementation and the central bank balance sheet size: an empirical analysis of the euro area](#). *ECB Working Paper Series 2021/2515*.

We analyse the impact of the Liquidity Coverage Ratio (LCR) on the demand for central bank reserves in the euro area with difference-in-differences estimation techniques. Using a novel dataset and an identification strategy that exploits the cross-country heterogeneity in the regulatory treatment of reserves for LCR purposes prior to the announcement of a harmonised euro area standard as a quasinatural experiment, we find evidence that points to LCR-induced demand for reserves. Specifically, our results suggest that banks with low LCRs relative to peers increased their central bank reserve holdings as a result of the LCR regulation. Our findings have economically meaningful implications for the operational framework of monetary policy and imply that the Eurosystem's balance sheet may need to remain larger than it was prior to the financial crisis and the associated introduction of new liquidity regulation.

## Publications

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Moreno, A., S. Ongena, A. Ventula Veghazy and A. Wagner (2021). The Global Financial Crisis and the COVID-19 Pandemic. *In: A New World Post COVID-19: Lessons for Business, the Finance Industry and Policy Makers, Fondazione Università Ca' Foscari, Venice, p. 23-34, Published: 2020*

## Work Experience

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| Economist, DG-MP Monetary Policy Strategy, <b>European Central Bank</b>                  | Sep 2022 - Current  |
| Research Analyst, DG-MP Monetary Policy Strategy, <b>European Central Bank</b>           | Feb 2016 - Sep 2021 |
| Financial Analyst, DG-MS4 Strategic Risk Analysis, <b>Single Supervisory Mechanism</b>   | Sep 2015 - Feb 2016 |
| Research Analyst, European Systemic Risk Board Secretariat, <b>European Central Bank</b> | Apr 2014 - Sep 2015 |
| Graduate trainee, European Systemic Risk Board Secretariat, <b>European Central Bank</b> | Jul 2014 - Apr 2015 |
| Intern, <b>AW International business consulting</b>                                      | Nov 2011- Jun 2012  |

## Scholarships & Honors

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| Princeton Initiative 2020  | 2020      |
| Partial waiver for academic merits, Barcelona Graduate School of Economics | 2013-2014 |

## Conferences

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| SED 2022, Society for Economic Dynamics, Wisconsin-Madison<br><i>Presented: Granular Investors and International Bond Prices: Scarcity-Induced Safety</i> | 2022 |
| Inaugural FRB – NY Fed Conference on the “International Roles of the U.S. Dollar”   | 2022 |

*Presented: Granular Investors and International Bond Prices: Scarcity-Induced Safety*

The fourth annual CBBH research conference, Central Bank of Bosnia and Herzegovina

2021

*Presented: The Implications of Liquidity Regulation for Monetary Policy Implementation and the Central Bank Balance Sheet Size: An Empirical Analysis of the Euro Area*

"Digitale Werte", Philipps-Universität Marburg

2020

*Presented: Central Bank Digital Currency*

## Professional activities

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Refereeing: International Journal of Central Banking

## Personal Skills

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STATA, Matlab, Python, SQL, LaTeX,

Spanish (native), German (native), English (fluent), Italian (intermediate), French (beginner)