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Office Contact Information

Department of Economics, University of Pennsylvania
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Undergraduate Studies:

B.A. Economics, ITAM (México City), 2012.

Masters Level Work

M.A. Economic Theory, ITAM (México City), 2017.

Graduate Studies:

University of Pennsylvania, 2017 to present.
Thesis Title: Essay in Mortgages and Macroeconomics.
Expected Completion Date: May 2024.

Thesis Committee and References:

Guillermo Ordóñez (Advisor)
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2320 Steinberg-Dietrich Hall
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Teaching and Research Fields:

Primary fields: Macroeconomics, Housing and Mortgage Finance.
Secondary fields: Role of Financial Intermediaries, Fiscal and Monetary Policy.

Teaching Experience:

University of Pennsylvania:

Summer 2020 Introductory Macroeconomics (Undergraduate), Instructor
Fall 2019 Economics of the Family (Undergraduate), Teaching Assistant for Jeremy Greenwood
Spring 2019 Intermediate Macroeconomics (Undergraduate), Instructor
Fall 2018 Intermediate Macroeconomics (Undergraduate), Teaching Assistant for Luca Bossi

ITAM:

2008-2009 Intermediate Macroeconomics (Undergraduate), Teaching Assistant for Martina Copelman

Research Experience and Other Employment:

University of Pennsylvania:

2021 – 2023 Research Assistant to Guillermo Ordóñez and Harold Cole, University of Pennsylvania
2019 – Present Research Assistant to Tim Landvoigt and William Diamond, University of Pennsylvania

ITAM, Mexico:

2016 – 2017 Research Assistant to Felipe Meza Goiz, ITAM, Economic Research Center (CIE, for its acronym in Spanish)

Central Bank of Mexico:

2013 – 2015 Research Assistant to Lorenza Martínez Trigueros, Central Bank of Mexico, Payment Systems Division

Ministry of Economics, Mexico:

2011 – 2012 Research Assistant to Lorenza Martínez Trigueros, Ministry of Economics, Undersecretariat of Industry and Commerce

Professional Activities

Conferences and Seminars:

* Presented by co-authors.
UPenn Macroeconomics Seminars (2021, 2022, 2023), UPenn Macroeconomics Student Talk Seminar (Various), ASSA Meeting* (2022), UBC Winter Finance* (2023), SFS Cavalcade* (2023), Cowles Conference GE* (2023).

Referee Experience:

Journal of Economic Theory, 2020
Young Economist Symposium

Honors, Scholarships, and Fellowships:

Honors:

2022 Honorable Mention, Marshall Blume Prizes in Financial Research, for “Printing Away the Mortgages: Fiscal Inflation and the Post-Covid Housing Boom” with Tim Landvoigt and William Diamond
2020 Nominated for Best 3rd Year Paper for “Restricted Mortgage Offering in the Great Recession” with Dick Oosthuizen

Fellowships:

2022-2023 School of Arts and Sciences Graduate Division Fellowship Award, University of Pennsylvania
2018-2022 Graduate Fellowship, University of Pennsylvania

2017	Ph.D. Fellowship, Central Bank of México
2015-2017	M.A. Fellowship, ITAM

Research Papers:

“Mortgage Choice and Guarantees” **(Job Market Paper)**

I analyze the general equilibrium effects of government-sponsored enterprises' credit guarantees for fixed-rate mortgages. I develop a macroeconomic model where borrowers choose between fixed-rate mortgages (FRMs) and adjustable-rate mortgages (ARMs) provided by a constrained financial intermediary. Relative to FRMs, ARMs typically have lower required payments during recessions generating lower and less cyclical default rates. Since the intermediary prices the exposure to credit risk, borrowers choose 60% of ARMs in an economy without credit guarantees. This outcome aligns with some European economies where ARMs are prevalent, and intermediaries maintain unhedged balance sheets against credit risk. With existing guarantees, the intermediary does not bear FRMs credit risk, resulting in a high insensitivity of the FRM rate to borrower′s leverage. As observed in the US, this leads to an 80% FRM share. Compared to the economy without guarantees, mortgage default rates are larger, while intermediary′s equity, borrower′s consumption and house price volatility increase. The difference in the general equilibrium impact of guarantees crucially relies on my model's novel feature of endogenizing the mortgage choice.

“Printing Away the Mortgages: Fiscal Inflation and the Post-Covid Housing Boom”, with Tim Landvoigt and William Diamond.

We theoretically and quantitatively analyze the impact of fiscal and monetary stimulus during and after the 2020 Covid recession on output, inflation, and house prices. Our theoretical analysis clarifies that fiscal stimulus increases consumption demand in a recession by providing liquidity, by redistributing from savers to borrowers, and by lowering the return on saving if it causes future inflation. Future inflation only occurs if taxes after the recession do not increase to pay for the stimulus. In our quantitative analysis, we study a temporary shift to passive monetary policy with low responsiveness to inflation. Fiscally-driven inflation enabled by this passive monetary policy reduces the real value of both mortgages and government debt, so it increases the spending capacity and housing demand of credit-constrained homeowners. Together with transfer payments and large fiscal deficits during the Covid recession, this policy greatly reduces the recession’s severity and causes high house prices and inflation similar to the data.

“Restricted Mortgage Offering in the Great Recession”, with Dick Oosthuizen.

The literature has studied the ex-ante consequences of introducing teaser-rate mortgages (TRMs) on the housing and mortgage markets. We study how the ex-post restricted access to TRMs during the Great Recession amplified the housing bust. TRMs start with a low initial rate, with the expectation of a rate hike in the future. Empirically, we show that lower-income and younger households chose TRMs during the housing boom. At the onset of the crisis, the government-sponsored enterprises tightened restrictions on their purchases of TRMs, which induced intermediaries to increase their lending standards. To evaluate the impact of eliminating TRMs during the crisis, we use a dynamic general equilibrium housing model with long-term mortgages and a contract choice between fixed-rate mortgages (FRMs) and TRMs. The restricted contract choice amplifies the house price drop by 1 percentage point. Without the availability of TRMs, low-income and younger households are excluded from the mortgage market, leading to a decrease in housing demand that triggers a downward spiral effect on house prices. Without the restricted supply, the share of TRMs would nearly have doubled during the crisis.

Work in Progress:

“Flippers and the Business Cycle”, with Agustín Díaz Casanueva and Sean McCrary

Skills:

Programming: MATLAB, Julia, R, STATA, Latex
Languages: Spanish, English