
Ilja Kantorovitch

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Employment

09.2021 Postdoctoral Researcher with Luisa Lambertini at EPFL

Education

2016-2021 Universitat Pompeu Fabra
Ph.D. in Economics
Thesis Title: "Three Essays on Information in Financial Markets and the Macroeconomy"
Completion Date: July 2021
Grade: Cum Laude

References

Professor **Alberto Martín**
ECB, CREi, BSE, UPF and CEPR
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Professor **Vladimir Asriyan**
CREi, BSE, UPF and CEPR
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Professor **Victoria Vanasco**
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Professor **Luisa Lambertini**
EPFL, SFI, CFI
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2016 Universitat Pompeu Fabra
Master of Research in Economics

2015 Barcelona School of Economics
Master in Economics and Finance

2014 University of Mannheim
Bachelor of Science in Economics

Research Interests

Macroeconomics, Finance, and Information Economics

Personal Information

Birthdate/place: 04.12.1991 in Riga, Latvia

Citizenship: German

Languages: German (native), English (fluent), Russian (intermediate), Spanish (intermediate)

Exuberant and Uninformed: How Financial Markets (Mis-)Allocate Capital During Booms

Abstract I develop a macroeconomic model with a central emphasis on the informational role of financial markets. Economic agents save by purchasing financial claims on firms. Crucially, agents produce information about firm productivity to guide their trading decisions. In the aggregate, this information determines the financial market's ability to allocate more capital to productive firms and, thus, pins down total factor productivity (TFP). Using this framework, I study how information varies in response to fundamental (productivity) and non-fundamental (sentiment) macroeconomic shocks. Both lead to similar co-movements in output, asset prices, and investment but affect traders' information production differently. Productivity booms crowd in information and, thus, amplify the initial shock by further increasing TFP. In contrast, sentiment shocks, defined as waves of optimism or pessimism, crowd out information production, which dampens sentiment booms through a decrease in TFP. I show that information production in the competitive equilibrium is generally constrained inefficient for two reasons. First, each agent produces information to extract rents from others (*rent-extracting behavior*). Second, atomistic agents fail to internalize that their information production helps improve capital allocation and TFP, which is partially revealed through prices (*information spillover*). As an application, I show that asset purchase programs can be an effective way to address the financial market inefficiencies. Finally, looking through the lens of the model, the US dot-com boom of the late 1990s appears to have been driven by productivity, whereas the US housing boom of the mid 2000s was driven by sentiment.

Working Papers

Does Dispersed Sentiment drive Returns, Turnover, and Volatility for Bitcoin? joint with Janko Heineken
"Overconfidence and Information Acquisition in Financial Markets"

Work in Progress

"The Value of Data", joint with Roxana Mihet (UNIL) and Mehmet Canayaz (Penn State)

"Endogenous Leverage and Fragility"

"Limited Participation"

Previous Academic Work Experience

2021 Research Assistant for Vladimir Asriyan at CREi

2016-2018 Research Assistant for Alberto Martin, Vladimir Asriyan, Jaume Ventura and others at CREi

2016 Research Assistant for Antonio Ciccone

2015-17 Teaching Assistant at Universitat Pompeu Fabra:

G: Sovereign Debt and International Financial Markets for Fernando Broner, Barcelona GSE

G: Advanced Macroeconomics I for Gino Gancia and Jaume Ventura, Barcelona GSE

G: Advanced Macroeconomics II for Isaac Baley and Alberto Martin, Barcelona GSE

UG: International Finance for Roland Umlauf, Universitat Pompeu Fabra

2014 Intern at Deutsche Bundesbank

2012-13 Research Assistant for Tom Krebs, University of Mannheim

Referee Experience

Reviewer for *Journal of Economic Inquiry*.

Honors and Awards

2021	ECB Young Economists Competition Finalist, Best PhD Paper Award of the 3rd Baltic Economic Association Conference: 500€
2020	Ph.D. Student Grant SAEe
2017-21	Ph.D. Scholarship by the Studienstiftung des deutschen Volkes (German National Academic Foundation)
2015	Severo Ochoa PhD Track Fellowship (Universitat Pompeu Fabra and Barcelona School of Economics)
2012-16	Scholarship by the Studienstiftung des deutschen Volkes (German National Academic Foundation)

Presentations

2021	PhD Macro Workshop (Unil), IO Reading Group University of Zürich, Baltic Economic Association Conference, Southern PhD Conference, SED Conference, EEA Conference, MMF Conference 2021, 28th Finance Forum (discussant)
2020	VMACS Junior Conference, SAEe, 1 st NuCamp Virtual PhD Workshop, BSE Ph.D. Jamboree 7th Edition, CREi Macro Lunch, UPF Student Seminar, PhD-Economics Virtual Seminar
2019	BSE Ph.D. Jamboree 6th Edition, CREi Student Macro Lunch, UPF Student Seminar
2018	CREi Student Macro Lunch, UPF Student Seminar
2017	Workshop on asset bubbles at a scholarship meeting of the Studienstiftung des deutschen Volkes in Lisbon (Invited Speaker), CREi Student Macro Lunch, UPF Student Seminar
*	scheduled

Organization of Conferences and Seminars

2018	BSE Ph.D. Jamboree 5th Edition
2016-18	Ph.D. Student Seminar at Universitat Pompeu Fabra

Other Information

Software: Julia, Python, R, Perl, STATA, MATLAB, \LaTeX , LyX