SIEMA HASHEMI

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Nationality: German
Married, one daughter (2 years old)

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Education

Ph.D. in Economics **expected 2024**
Center for Monetary and Financial Studies (CEMFI)
Thesis: Three Essays on Banking and Financial Regulation

Master in Economics and Finance **2017 – 2020**
Center for Monetary and Financial Studies (CEMFI)

Master in Management: Finance and Accounting **2010 – 2013**
Goethe University Frankfurt

Bachelor in Industrial Management **2006 – 2010**
University of Tehran

Research interests

Financial Economics, Banking, Corporate Finance

References

Rafael Repullo *(Main Advisor)*
CEMFI
repullo@cemfi.es

Gerard Llobet
CEMFI
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Anatoli Segura
Banca d'Italia
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Research

Banking on Resolution: Portfolio Effects of Bail-in vs. Bailout
Job market paper
This paper investigates the impact of supervisory resolution tools, specifically bail-ins versus bailouts, on the ex-ante banks' portfolio composition and resulting default probabilities in the presence of both idiosyncratic and systematic shocks. Banks make decisions regarding short-term versus long-term asset investments while considering the expected supervisory resolution policy. I find that market expectations can generate financial instability, which the two resolution tools address through distinct channels. Creditor bailouts, acting as debt insurance, reduce funding costs and by that eliminate the equilibrium with bank defaults. Whereas, bail-ins alter bank payoffs, induce banks to invest less in the risky short-term asset, and possibly prevent defaults. In the presence of aggregate risk, I show that creditor bailouts can deter systemic events. In contrast, bail-ins are less effective in preventing systemic defaults and could even contribute to systemic risk.

The Effect of Bank Mergers on Lending and Risk-Taking
This paper investigates the effect of bank mergers on banks' loan rates, leverage, and risk-taking. I consider an economy with $n \geq 3$ banks where two of them merge for exogenous reasons. I assume that banks monitor borrowers, which lowers their probability of default, and that monitoring is costly and unobservable which creates a moral hazard problem. With insured deposits as the single source of funding, a merger generates higher loan rates, which in turn increases banks' margins and monitoring intensities. Introducing equity capital as an additional source of funding enhances monitoring incentives, due to a "skin-in-the-game" effect, which increases loan demand. This creates a trade-off that results in nontrivial changes in post-merger capital, loan rates, and risk-taking. If loan rates increase following the merger, both the merged bank and its competitors increase their leverage. Higher loan rates and leverage exert

opposing effects on monitoring intensity and, consequently, on risk-taking.

Banking Supervision and Bank Risk-Taking
joint with Rafael Repullo
This paper presents a theoretical analysis of the effects of banking supervision on bank risk-taking. The model features a risk-neutral bank that raises one unit of insured deposits and invests them in a large portfolio of loans. The bank chooses the extent of correlation in defaults, from $\sigma = 0$ (independent defaults) to $\sigma = 1$ (perfectly correlated defaults). The supervisor observes a noisy signal of the default rate (the proportion of loans that will default) and closes the bank early when the signal is above a threshold. The question is: will this combination of supervisory information and supervisory closure reduce risk-taking (the bank's choice of σ)? The paper will shed light on the conditions under which a higher quality of supervisory information and/or a tougher closure rule will reduce banks' risk-taking.

Teaching Experience

Financial Economics *Teaching Assistant* **Spring 2023**
Prof. Enrique Sentana

Economics of Banking *Teaching Assistant* **Fall 2021**
Prof. Javier Suarez

Asset Pricing *Teaching Assistant* **Spring 2021**
Prof. Enrique Sentana

Work Experience

European Central Bank *Trainee* **July 2018 – Mar 2019**
Single Supervision Mechanism

Deutsche Leasing AG *Credit Risk Analyst* **2013 – 2017**
Credit Risk International

IKB Deutsche Industriebank AG *Internship* **Mar – Aug 2012**
Merger and Acquisitions

Honors & Awards

Ph.D. Scholarship, CEMFI **since 2020**

FRM® Financial Risk Manager, **2016**
Global Association of Risk Professionals, Link to my badge

Direct Acceptance to the Masters' in Management, University of Tehran **2010**

Best Student of the Business Faculty, University of Tehran **2010**

Best Student of the Business Faculty, University of Tehran **2007**

Languages

English (fluent), German (native), Persian (native), Spanish (basic)