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Education

PhD in Economics, New York University, 2015-2021 (expected)
Thesis Title: *Sovereign Risk and the Macroeconomy*
MPhil in Economics, New York University, 2019
MA in Economics, Universidad Torcuato Di Tella, 2012-2014
BA in Economics (First Class Honors), Universidad Nacional de Cuyo, 2007-2012

References

Professor Ricardo Lagos
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Professor Simon Gilchrist
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Professor Diego Perez
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Teaching and Research Fields

International Economics, Macro-Finance

Teaching Experience

Fall 2020	Introduction to Macroeconomics, NYU, teaching assistant for Prof. G. McIntyre
Spring 2020	Introduction to Macroeconomics, NYU, teaching assistant for Prof. G. McIntyre
Spring 2019	Introduction to Microeconomics, NYU, teaching assistant for Prof. E. Steinberg
Fall 2018	Introduction to Microeconomics, NYU, teaching assistant for Prof. M. Bhiladwalla
Spring 2018	Introduction to Macroeconomics, NYU, teaching assistant for Prof. G. McIntyre
Spring 2013	Microeconomics, Torcuato Di Tella, teaching assistant for Prof. H. Ruffo
Fall 2012	Topics of Macroeconomics, Torcuato Di Tella, teaching assistant for Prof. J. P. Nicolini

Research Experience and Other Employment

2020	NYU, Research Assistant for Prof. Ricardo Lagos
Summer 2018	NYU, Research Assistant for Prof. Ricardo Lagos
2013-2015	The World Bank, Macroeconomics and Growth Research Group, Research Analyst

Professional Activities

Conferences and Seminars

2020	Office of Financial Research (OFR) PhD Symposium; Stern Macro Lunch Seminar (NYU Stern); Student Macro Lunch Seminar (NYU); Economics Graduate Student Conference (Washington University in St. Louis) [Upcoming]; Universidad Torcuato di Tella (UTDT) [Upcoming]; Universidad de Montevideo [Upcoming]
2019	Student Macro Lunch Seminar (NYU)
2018	Search Theory Workshop (NYU); Young Economists' Symposium (NYU); Student Macro Lunch Seminar (NYU)

Honors, Scholarships, and Fellowships

2020	Data Funding Aid, Department of Economics (NYU)
2015-2020	Henry Mitchell MacCracken Fellowship (NYU)

Research Papers

The Asymmetric Pass-Through of Sovereign Risk (Job Market Paper)

This paper studies the macroeconomic effects of increases in corporate risk around sovereign debt crises. I use a heteroskedasticity-based approach to estimate the causal effect of sovereign risk on the credit risk of non-financial firms. Using Italian firm-level data for the last European debt crisis, I find that sovereign risk accounts for almost a third of the total increase in corporate risk and that this effect is stronger for riskier firms. I use bank-level data to show that the bank-lending channel plays an important role in this transmission. I find that banks with higher sovereign debt holdings exhibit a larger increase in their corporate non-performing loans. Increases in sovereign risk thus weaken banks' balance sheets directly, by decreasing the value of government bonds held by banks, and indirectly, through banks' exposures to non-financial firms. I formulate a heterogeneous-firms model where the banking sector transmits sovereign risk to firms and show it is able to match the empirical relationships estimated from Italian data. In a counterfactual analysis, I find that corporate risk represents a quantitatively important feedback mechanism that further deteriorates banks' balance sheets, amplifying the size and persistence of a sovereign debt crisis. I study different policies that can mitigate the negative effects of sovereign risk and identify efficiency gains from policies that exploit firms' heterogeneous reactions to increases in sovereign risk.

Financial Innovation and Liquidity Premia in Sovereign Markets: The Case of GDP-Linked Bonds

Issuances of state-contingent sovereign bonds have been limited both in quantity and frequency. One of the reasons argued in the literature is that these bonds would carry a sizable liquidity premium given the smaller size of their market. This paper quantifies how this liquidity premium erodes the potential benefits associated with the introduction of a new type of debt instrument: GDP-linked bonds. I incorporate search frictions into a standard incomplete-markets model with limited commitment and exogenous costs of default. I assume free entry of dealers together with an increasing-returns-to-scale matching technology so that the liquidity of GDP-linked debt is related to the size of its secondary market. I show that as long as the amount outstanding of GDP-linked bonds is small, search frictions are more severe for investors because only a few dealers enter the market. Larger search frictions lead to higher bid-ask spreads and to a larger liquidity premium at issuance, increasing the financing costs of the government. As a result, welfare gains are reduced by more than 50%, especially when the amount issued is small.

Information Frictions, Partial Defaults, and Sovereign Spreads (with Juan Morelli)

We study the reputational cost of sovereign default. We analyze policies that indirectly dilute the real value of debt, such as an underreport of inflation in the case of inflation-linked bonds. This type of policy undercuts a government's reputation of being a good borrower. In the empirical section, we measure the short-run costs of

losing reputation in international debt markets and use these estimates to discipline a quantitative model. Taking Argentina's 2007 systematic misreport of inflation as a case study, we find that a 1pp change in inflation tampering induces a 10% increase in spreads. In our model, the type of government is time varying and private information. The government can engage in partial-default policies that are not perfectly observable by lenders. We find that incentives to misreport inflation are state contingent, being more appealing in good times. In bad times, spreads are more sensitive to news and can increase significantly if investors detect the policy that leads to the partial default. The model is able to replicate the evolution of spreads for Argentina in 2007-2010, in particular, the observed decoupling from other countries in the region.

Policy Work and Book Chapters

"The Changing Patterns of Financial Integration in Latin America," *with Tatiana Didier and Sergio L. Schmukler*. Policy Research Working Paper No. 7190. The World Bank Group, Washington, DC.

"Bank and Nonbank Financial Institutions as Providers of Long-term Finance," *with Martin Kanz, María Soledad Martínez Pería, Alvaro Enrique Pedraza Morales, and Sergio Schmukler*; in Global Financial Development Report 2015/2016: Long-term Finance. The World Bank Group, Washington, DC.

Programming Languages

Julia, Matlab, Stata, LaTex