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Education:

2025	PhD in Economics, The University of Cambridge (expected)
2020	MPhil in Economic Research, The University of Cambridge (with distinction)
2019	MA in Economics, The University of Tokyo
2017	BA in Economics, The University of Tokyo

References:

Vasco Carvalho
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Professor of Finance
Judge Business School
The University of Cambridge
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Research Interests:

Macroeconomics, International macro and finance, Monetary economics, and Macro-finance

Working Papers:

Monetary and Exchange Rate Policies in a Global Economy (Job Market Paper)

A consensus in the small open economy literature is that optimal monetary policy and foreign exchange intervention (FXI) separately stabilize inflation and the exchange rate. I develop an analytically tractable two-country framework where FXI balances internal and external objectives. Under international policy cooperation, optimal FXI mitigates the trade-off between domestic inflation and demand faced by monetary authorities, allowing them to stabilize inflation with moderate changes in the interest rate. At the same time, optimal FXI targets world demand since it affects international prices. The model thus suggests an interaction between conventional monetary policy and unconventional exchange rate policy tools and provides a rationale for their combined use. I further show that FXI contributes more to domestic inflation stabilization when all goods traded in international markets are priced in dollars. Finally, a quantitative exercise shows that, in a non-cooperative equilibrium, FXI exacerbates distortions to world prices and demand.

Intervening against the Fed Revise and Resubmit, *Journal of Financial Economics*

Joint with Alexander Rodnyansky (Cambridge) and Yannick Timmer (FRB)

This paper studies the effectiveness and mechanism of foreign exchange interventions (FXIs) for mitigating US monetary policy spillovers. For identification, we combine deviations from a daily FXI policy rule with high-frequency US monetary policy shocks, daily exchange rates, firm-level stock prices, and firm-level balance sheet variables across multiple countries. We first present evidence that, without interventions, contractionary US monetary policy shocks spill over through a balance sheet channel: foreign exchange rates depreciate and stock prices fall, driven by those firms with US dollar debt. However, when countries counter-intervene, the spillover of a US monetary policy tightening is muted. FXIs entirely offset the depreciation of the domestic exchange rate and the reduction in stock prices for firms with US dollar debt, suggesting that “intervening against the Fed” protects economies from the adverse spillovers of US monetary policy tightening via the balance sheet channel of exchange rates.

Financial Market Globalization and Asset Price Bubbles

Cambridge Working Paper in Economics, No. 2167

We construct a two-country model of rational bubbles with asymmetric degrees of financial development. We show that whether financial globalization gives rise to bubbles crucially depends on the levels of financial development in the two countries. In economies with either developed or underdeveloped financial markets relative to foreign ones, bubbles cannot arise under financial autarky, but they can arise under financial globalization. Moreover, unlike previous literature, bubbles in sufficiently well-developed financial markets lead to welfare losses in other countries.

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Work in Progress:

FX Intervention, CIP, and UIP Deviations

Joint with Mai Chi Dao (IMF), Pierre-Olivier Gourinchas (UC Berkeley), and Rui Mano (IMF)

Professional Experience:

2023 International Monetary Fund, PhD Fund Internship Program

Teaching Assistantship:

2022-24 Teaching Assistant, Advanced Macroeconomics I (MPhil + PhD coursework),
Instructor: Florin Bilbiie, The University of Cambridge
Latest teaching evaluation: 4.6/5.0

2018 Teaching Assistant, Macroeconomics I (Undergraduate),
Instructor: Tsutomu Watanabe, The University of Tokyo

2018 Teaching Assistant, Macroeconomics II (Undergraduate),
Instructor: Tomoyuki Nakajima, The University of Tokyo

2018 Instructor, Math Camp for Graduate Students, The University of Tokyo

Research Assistantship:

2018 Research Assistant for Toshihiko Mukoyama, Mototsugu Shintani, and
Kazuhiro Teramoto

2017 Research Assistant for Katsuhito Iwai

Honors, Scholarships, and Fellowships:

2022-24 PhD Award for Keynes Fund, The University of Cambridge

2021 Honourable mention for the best student paper award in finance, The University
of Cambridge

2021-23 CERF PhD Studentship, The University of Cambridge

2020 St Edmund's College Prize, St Edmund's College

2019- The Nakajima Foundation Overseas Scholarship, The Nakajima Foundation

2019 Grant-in-Aid for Japan Society for the Promotion of Science (No. 19J21111),
Japan Society for the Promotion of Science

2019 Research Fellowship for Young Scientists (DC1), Japan Society for the
Promotion of Science

Refereeing:

Open Economies Review

Seminar and Conference Presentations:

* Presentation by a co-author. † Poster session. Includes scheduled conference.

- 2025 Scottish Economic Society Annual Conference, The University of Glasgow
- 2024 AEA Annual Meeting, San Antonio†; 2nd ERSA-CEPR Workshop on Macroeconomic Policy in Emerging Markets*; 5th Emerging Market Macroeconomics Workshop, University of Poitiers; Joint BIS, BoE, ECB and IMF Spillover Conference; North American Meeting of Econometric Society, Vanderbilt University; EEA Annual Congress, Erasmus School of Economics; MMF PhD Conference, University of Surrey; MMF Annual Conference, University of Manchester; Doctoral Workshop on Quantitative Dynamic Economics, Aix-Marseille School of Economics; Workshop for Young Macroeconomists, Hitotsubashi University; Global Currencies Conference, Banque de France; University of Cape Town*; University of Cambridge PhD Macro Workshop and JBS Lunch Seminar
- 2023 AEA Annual Meeting, New Orleans†; New York Fed 2nd Annual International Roles of the U.S. Dollar Conference; 9th BdF-BoE-BdI International Macroeconomics Workshop; EEA Annual Congress, Barcelona School of Economics; Econometric Society Asian Meeting, Tsinghua University (online); MMF Annual Conference, University of Portsmouth; Workshop on Empirical Macroeconomics, Ghent University†; SED Annual Meeting, Cartagena*; 1st Annual Conference of the Banco Central do Brazil*; IMIM Seminar; IMF; Federal Reserve Board; University of Cambridge JBS Lunch Seminar and CERF Cavalcade
- 2022 Workshop on Empirical Macroeconomics, Ghent University (online)†
- 2020 EEA Annual Congress, Rotterdam (online); Econometric Society World Congress, Bocconi University (online)
- 2019 Econometric Society Australasia Meeting, Perth; Japanese Economic Association Spring Meeting, Musashi University†; University of Tokyo Macroeconomics Workshop

Languages:

English (fluent), Japanese (native)

Skills:

MATLAB, Dynare, Python, Stata, EViews

Personal Information:

Citizenship: Japan and the United States