

# Natalie Kessler

European University Institute  
De Nederlandsche Bank  
natalie.kessler@eui.eu  
+39 320 9757 241

Department of Economics, EUI  
Via delle Fontanelle 18  
50014 San Domenico di Fiesole FI  
Italy

## Education

2017– present	<i>European University Institute</i> PhD Candidate in Economics Thesis Title: “Essays in Financial Economics” Advisors: Giacomo Calzolari and Ramon Marimon
2017–2018	<i>European University Institute</i> Master of Research, Economics
2015–2017	<i>Copenhagen Business School</i> MSc in Advanced Economics and Finance (cand.oecon)
2012–2015	<i>Copenhagen Business School</i> BSc in International Business

## References

Professor Giacomo Calzolari European University Institute giacomo.calzolari@eui.eu +39 055 4685 952/954	Professor Ramon Marimon European University Institute ramon.marimon@eui.eu +39 055 4685 911	Professor Iman van Lelyveld De Nederlandsche Bank Vrije Universiteit Amsterdam i.p.p.van.lelyveld@dnb.nl +31 20 524 2004
--	--	--

## Research Interests

Financial Economics, Financial Regulations and Market Microstructure, Financial Stability and Risk

## Job Market Paper

*“Mandatory Central Clearing and Financial Risk Exposure”*

This paper analyzes the effect of the mandatory central clearing of over-the-counter (OTC) derivatives on buyers’ aggregate financial risk exposure. I show that mandatory central clearing results in larger buyers insuring more of their derivatives against seller default (decreased credit risk). But it also allows the CCP to charge higher prices, thereby curbing the hedging activities of smaller buyers (increased market risk). The aggregate effect on financial risk thus depends on the relative densities of smaller and larger buyers in a given OTC market.

## Work in Progress

*“Banks’ Reactions to Stress-Test Constraints”* (with Johannes Fischer)

This paper studies banks’ equity and lending choices subject to forward looking stress-test constraint, which ensures that banks are sufficiently capitalized even in severely adverse economic conditions. We find that a more severe stress-test scenario leads reduced equity in low return states, but boosted equity reserves in high return states. This increased pro-cyclicality of equity however, comes at the cost of overall lower lending levels.

*“Exclusive Access to Security Lender Portfolios”* (with Iman van Lelyveld)

This paper proposes a new network model of the securities lending market, where exclusive dealing between core dealers and peripheral security portfolio owners may arise endogenously. Here, we characterize the differences in lending terms between exclusive and non-exclusive trades and test the findings using the European Securities and Financing Transaction (SFTR) data.

### *“Optimal Central Bank Cooperation”*

This paper studies optimal central bank cooperation in a Diamond and Dybvig style framework extended to a two-country setting with differently correlated country risks. I confirm the common result that countries with positively correlated shocks find currency unions optimal. For countries with negatively (uncorrelated) correlated shocks, central banks establish permanent (temporary) swap lines instead. I validate these theoretical insights using the Federal Reserve’s U.S. dollar swap line data.

### *“Banks’ Loan Portfolio Choices under Capital Constraints”* (with Gabriele Macci)

This paper proposes a novel model environment of dynamic bank competition under soft capacity constraints. It is designed to explain how capital constrained banks’ existing loan portfolios affect which firms get access to credit, at which conditions and from which bank.

## Teaching Experience

2021	<i>Florence School of Banking and Finance (EUI)</i> Teaching Associate for: <ul style="list-style-type: none"><li>- Empirical Methods in Sustainable Finance</li><li>- Macro-Prudential Policy Implementation</li><li>- Network Analysis in Finance and Economics</li></ul>
2017	<i>Copenhagen Business School</i> Teaching Assistant for Industrial Organizational Analysis
2016	<i>Copenhagen Business School</i> Teaching Assistant for Quantitative Methods

## Other Employment

2021 - present	<i>Data Science Hub, De Nederlandsche Bank</i> Joint Research Project with Iman van Leyveld
Spring 2021	<i>Department of Economics, European University Institute</i> Research Assistant for Giacomo Calzolari
2013–2017	<i>Department of Economics, Copenhagen Business School</i> Student Assistant (Research) for: <ul style="list-style-type: none"><li>- Lisbeth la Cour, Pascal Raimondos, <i>QUT</i> and Sarah McGaughey, <i>Griffith Business School</i> (2015–17)</li><li>- Svend E. Hougaard Jensen (2013–15)</li><li>- Battista Severgnini (2013–14)</li></ul>

## Visiting Stays

2020 - 2021	<i>Financial Markets Department, Halle Institute for Economic Research (IWH)</i> Visiting Researcher with Michael Koetter
Fall 2016	<i>Copenhagen University</i> Elective Courses
Fall 2014	<i>Victoria University Wellington, New Zealand</i> Exchange Semester

**Languages** German (native), English (fluent), Danish (fluent), Dutch (beginner)

**Software** Stata, MATLAB, L<sup>A</sup>T<sub>E</sub>X, Python, SQL

## (Scheduled) Presentations

January 2022 AFA 2022 Annual Meeting

November 2021	Departmental Seminar Economics, <i>Copenhagen Business School</i>
October, 2021	Day-Ahead Workshop on Financial Regulation, <i>University of Zurich</i>
September 2021	GRETA Credit 2021, VfS 2021
June 2021	EEFS 2021, Brown Bag Seminar <i>IWH</i> , 37th Symposium on Money, Banking and Finance (Banque de France), SESS 2021, AFSE 2021, CEA 2021
May 2021	37th International Conference of the French Finance Association (AFFI 2021)
March 2021	RGS Doctoral Conference 2021, Rapid Fire Session <i>IWH</i>
November 2020	Discussant for the lecture “ <i>The ECB’s monetary policy at 20</i> ” by Massimo Rostango (Director General Monetary Policy at the ECB), <i>Florence School of Banking and Finance (EUI)</i>
February 2020	Brown Bag Seminar, <i>Copenhagen Business School</i>