CIARAN ROGERS

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EDUCATION

Ph.D. in Economics, Stanford University,
Expected Completion: June 2022
DISSERTATION: "*Essays on Monetary Policy*"

B.A. in Economics, Cambridge University (U.K.), 2009-2012 (Triple First Class Honours).
MSc in Economics, London School of Economics (U.K.), 2015-2016 (Distinction: 3rd/120).

DISSERTATION COMMITTEE

Prof. Monika Piazzesi (Co-Primary)
Economics Department, Stanford University
piazzesi@stanford.edu

Prof. Martin Schneider (Co-Primary)
Economics Department, Stanford University
schneidr@stanford.edu

Prof. Chris Tonetti
Graduate School of Business, Stanford University
tonetti@stanford.edu

RESEARCH AND TEACHING FIELDS

Fields: Macroeconomics, Financial Economics

WORKING PAPERS

Quantitative Easing and Local Banking Systems in the Euro Area **(Job Market Paper)**

This paper studies the role of local banking systems in the propagation of ECB Quantitative Easing (QE) programs. I firstly document that local deposit markets are fragmented across country lines, but the assets held by banks backing the deposits are in more integrated markets. I then consider a multi-country New Keynesian model with heterogeneous banking sectors but common monetary policy. All banks can access collateral from the same union-wide asset market, using them to back liquid deposit liabilities that are issued locally. QE has real effects if it increases the quantity or quality of collateral available to the banking sector. I find that QE has a powerful effect across the currency union, raising output and inflation by 62bps and 60bps, respectively. The pass-through is very similar across countries, despite fragmented deposit markets, as all banks face the same reduction in the cost of collateral from the union-wide asset market. The overall impact increases significantly if the beginning of QE coincides with adjusting the Taylor rule to be a weaker counteracting force by making it less responsive to inflation.

Inflation and the Price of Real Assets (with Matteo Leombroni, Monika Piazzesi and Martin Schneider)
Revision requested for Review of Economic Studies

In the 1970s, U.S. asset markets witnessed (i) a 25% dip in the ratio of aggregate household wealth relative to GDP and (ii) negative comovement of house and stock prices that drove a 20% portfolio shift out of equity into real estate. This study uses an overlapping generations model with uninsurable nominal risk to quantify the role of structural change in these events. We attribute the dip in wealth to the entry of baby boomers into asset markets, and to the erosion of bond portfolios by surprise inflation, both of which lowered the overall propensity to save. We also show that the Great Inflation led to a portfolio shift by making housing more attractive than equity. Disagreement about inflation across age groups matters for the size of tax effects, the volume of nominal credit, and the price of housing as collateral.

Money and Banking in a New Keynesian Model (with Monika Piazzesi and Martin Schneider)

This paper studies a New Keynesian model with a banking system. The central bank targets the interest rate on short safe bonds that are held by banks to back inside money and hence earn convenience yield for their safety or liquidity. Central bank operating procedures matter. In a floor system, the reserve rate and the quantity of reserves are independent policy tools that affect banks' cost of safety. In a corridor system, increasing the interbank rate by making reserves scarce increases banks' cost of liquidity and generates strong pass-through to other rates of return, output and inflation. In either system, policy rules that do not respond aggressively to inflation – such as an interest rate peg – need not lead to self-fulfilling fluctuations. The stabilizing effect from an endogenous convenience yield is stronger when there are more nominal rigidities in bank balance sheets.

Household Portfolios, Monetary Policy and Asset Prices (with Matteo Leombroni)

In this paper, we study the role of household portfolio rebalancing channel for the aggregate and redistributive effects of monetary policy. The transmission of monetary policy works not only through the usual income and substitution motives, but also through an endogenous portfolio rebalancing effect which generates changes in equilibrium asset prices and a subsequent wealth effect on consumption. In order to jointly study these effects, we introduce a heterogeneous household life-cycle model with multiple assets and combine it with an incomplete markets asset pricing framework. We model monetary policy shocks as a reduction in expected return on safe assets. In equilibrium the reduction in bonds investment prompts a portfolio rebalancing toward riskier assets with a consequent increase in their asset prices and an increase in wealth. According to our model, the positive wealth effect on consumption is offset by an increase in the saving margin induced by the overall reduction in expected return on household portfolio. However, the strength of these two forces notably varies depending on households age. We find that, absent wealth effects, older cohorts reduce consumption while younger cohorts barely adjust. The direction of heterogeneity then reverses once we incorporate wealth effects, where older cohorts increase consumption significantly more than the young.

WORK IN PROGRESS

Risky Insurance: Life-cycle Insurance Portfolio Choice with Incomplete Markets (with Chris Tonetti)

TEACHING EXPERIENCE

2018-21 Instructor of Economics PhD Programming Camp, Stanford University.
2019 Teaching Assistant for Mr. G. LaBlanc, Stanford University, Econ 140 (Introduction to Financial Economics).
2021 Teaching Assistant for Prof. S. Rozelle, Stanford University, Econ 131 (The Chinese Economy).
2020 Teaching Assistant for Mr. A. Gould, Stanford University, Econ 101 (Economic Policy Seminar).
2018-19 Teaching Assistant for Prof. M. Schneider, Stanford University, Econ 112 (Financial Markets and Institutions: Recent Developments).
2019 Teaching Assistant for Prof. B. Weingast, Stanford University, Econ 162 (Games Developing Nations Play).

RELEVANT POSITIONS

2020 Research Assistant for Prof. C. Tonetti, Stanford University.
2017-19 Research Assistant for Prof. M. Piazzesi and Prof. M. Schneider, Stanford University
2015 Research Analyst, Economic Consulting Division, FTI Consulting (London).
2012-15 Associate, Emerging Markets Interest Rate Trader, Morgan Stanley (London).

SCHOLARSHIPS, HONORS AND AWARDS

2021-22 Dixon and Carol Doll Graduate Fellowship, Stanford University.
2019-21 Ric Weiland Graduate Fellowship in the Humanities and Sciences.
2018 Macro Financial Modelling (MFM) Research Scholarship.
2016-18 PhD Fellowship, Stanford University.
2009-12 Scholar, St. John's College, Cambridge University (UK).
2012 Larmor Award, St. John's College, Cambridge University (UK).
2011 Turner Prize, Cambridge University (UK).

PRESENTATIONS

2019 NBER EF&G Meeting, Chicago Fed.
2019 Central Bank of Ireland
2019 SED Annual Meeting, Washington University, St. Louis.
2019 ECB Forum on Central Banking, Sintra, Portugal.
2019 MFS Workshop, University of Southern California

OTHER

Programming: Matlab, Python, Stata.
Languages: English (native).
Citizenship: Irish.