

# COLLIN JONES

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## EDUCATION

2018—                      Ph.D. in Economics (expected May 2024), University of California, Berkeley  
                                 *Fields: Macroeconomics, Finance*  
                                 *Principal Dissertation Advisor:* David Romer

2012—2016                B.A. in Mathematics and Economics, College of William & Mary

## WORKING PAPERS

**“Empirical Network Contagion for U.S. Financial Institutions”** (with Fernando Duarte), Link [here](#)

We construct an empirical measure of expected network spillovers that arise through default cascades for the U.S. financial system for the period 2002-16. Compared to existing studies, we include a much larger cross section of U.S. financial firms that comprises all bank holding companies, all broker-dealers, and all insurance companies, and consider their entire empirical balance sheet exposures instead of relying on simulations or on exposures arising just through one specific market (like the fed funds market) or one specific financial instrument (like credit default swaps). We find negligible expected spillovers from 2002 to 2007 and from 2013 to 2016. However, between 2008 and 2012, we find that default spillovers can amplify expected losses by up to 25 percent, a significantly higher estimate than previously found in the literature.

## WORK IN PROGRESS

**“New Evidence on Convenient Asset Demand” (Job Market Paper)**

Investors appear to value the extra-pecuniary benefits of certain convenient assets, which causes those assets to enjoy yields below those of less convenient benchmarks. This yield spread is the convenience yield. I empirically estimate the slope of the aggregate demand curve for short-term assets that provide these convenience services, by studying how this convenience yield varies in response to week-to-week variation in the outstanding supply of Treasury bills. Using high frequency projections of T-bill issuance quantities from Wrightson, a highly informed market newsletter, I construct a direct measure of the *surprise* component in T-bill auction sizes. I argue that these issuance surprises are plausibly uncorrelated with changes in convenience demand, and are a methodological improvement over the literature’s standard approach of using seasonality as an instrument for convenient asset quantities. Using local projection methods and this measure of surprises as an instrument, I find that the demand curve for short-term convenient assets is

meaningfully steep only in the very short-run. A \$100bn increase in the supply of T-bills depresses T-bill convenience yields by 10.4 basis points, on average, in the week of the increase. However, the long-run effect is much more modest, with a \$100bn higher *stock* of T-bills only depressing convenience yields by 1.13 basis points. These estimates have implications for the quantitative implications of macroeconomic models featuring convenience yields for which the slope of this demand curve is a parameter input – such as the  $R < G$  fiscal sustainability literature.

### “Money Market Reform and Intermediary Demand” (with Abhi Gupta)

Why do investors and institutions hold different financial assets? The influential paper Kojien and Yogo (2019) gives a microfounded model in which investor-level asset demand parameters can be plausibly identified using cross-sectional data on those investors’ asset holdings. In this project, we apply a similar technique to estimate fund-level demand parameters for fixed income assets from US-registered money market mutual funds, using detailed monthly holdings data reported by the funds to the SEC. To do so, we first microfound our approach with a dynamic portfolio choice model for money market funds, inspired by the tractable framework of Garleanu and Pedersen (2013). This model features several institutional details that are likely critical for money market funds, but that the original Kojien and Yogo (2019) framework lacks – such as transaction costs and partially predictable investor redemptions. After estimating demand parameters for these funds, we can use them to shed light on several policy-relevant questions. By looking at the cross-sectional variation in these parameters, we can understand how asset demand differs across different classes of money market funds. By studying a given fund’s time series of these parameters, we can see how or whether fund asset demand has fundamentally changed as a result of the 2015-2016 money market reforms, which imposed several new regulatory requirements that could feasibly alter funds’ portfolio choice. These questions are particularly salient now, as regulators consider yet more money market reforms after the Covid-induced financial stresses of March 2020.

### “Institutional Memory, or Business As Usual?” (with Christa Bouwman and Ulrike Malmendier)

Which banks are best prepared to weather the next crisis? Theories of institutional memory and learning-by-doing may suggest that banks which were scarred by a near-failure in the previous financial downturn are the *least* likely to find themselves on the brink of failure in the next. Using recently-digitized, annual balance sheet data from Moody’s financial manuals, we construct a panel dataset of large banks’ balance sheets from 1928 to the present. We use this data to construct a measure of *undercapitalization* in banks over this sample, giving extra attention to the capital standards that were expressed by major banking regulators of the time. We then assess whether banks that experience *severe undercapitalization* by the standards of the decade are statistically significantly *less likely* to experience future financial distress than their peer institutions without such scarring experiences.

## AWARDS

2023	Doctoral Completion Fellowship, UC Berkeley
2023	Grant, Clausen Center for International Business & Policy
2023	Fund for Monetary Economics Grant, UC Berkeley Economics
2022	Outstanding GSI Award, Economics Department, University of California, Berkeley

2018-2021	Graduate Fellowship, Economics Department, University of California, Berkeley
2016	Phi Beta Kappa, College of William & Mary
2016	Robert A Barry Award, Economics Department, College of William & Mary
2016	Cissy Patterson Award for Excellence in Mathematics, College of William & Mary
2015	Selby-Corey Prize for Academic Excellence in Economics, College of William & Mary
2014, 2015	Terry Glenn Scholarship, Economics Department, College of William & Mary

## **PROFESSIONAL EXPERIENCE**

Summer 2023	Summer Dissertation Fellow, Board of Governors of the Federal Reserve System
Summer 2022	Research Assistant for Ulrike Malmendier, UC Berkeley
Spring 2021	Research Assistant for Emi Nakamura and Jon Steinsson, UC Berkeley
Summer 2019	Research Assistant for Ulrike Malmendier, UC Berkeley
2016—2018	Research Assistant for Michael Fleming and Fernando Duarte, Federal Reserve Bank of New York
Summer 2015	Research Assistant Intern for Michael Fleming, Federal Reserve Bank of New York
Summer 2014	Analyst Intern, Cornerstone Research

## **TEACHING**

Spring 2023	Lead Graduate Student Instructor (GSI) for Introduction to Economics (Econ 2, undergraduate), UC Berkeley
Fall 2022	GSI for Macroeconomics (Econ 100B, undergraduate), UC Berkeley
Spring 2022	Lead GSI for Introduction to Economics (Econ 2, undergraduate), UC Berkeley
Fall 2021	GSI for Macroeconomics (Econ 100B, undergraduate), UC Berkeley
Fall 2020	Lead GSI for Introduction to Economics (Econ 2, undergraduate), UC Berkeley
Spring 2020	GSI for Introduction to Economics (Econ 2, undergraduate), UC Berkeley
Fall 2019	GSI for Macroeconomics (Econ 100B, undergraduate), UC Berkeley
Spring 2017	Teaching Assistant for Advanced Macroeconomics (Econ 411, undergraduate), College of William & Mary

## **PRESENTATIONS**

2021	Society for Economic Dynamics Annual Meeting (Conference)
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## BLOG POSTS

[“How Large Are Default Spillovers in the U.S. Financial System”](#) (with Fernando Duarte and Francisco Ruela). *Liberty Street Economics*, 2019

[“Assessing Contagion Risk in a Financial Network”](#) (with Fernando Duarte and Francisco Ruela). *Liberty Street Economics*, 2019

[“Unlocking the Treasury Market Through TRACE”](#) (with Doug Brain, Michiel De Pooter, Dobrislav Dobrev, Michael J. Fleming, Peter Johansson, Frank M. Keane, Michael Puglia, Liza Reiderman, Anthony P. Rodrigues, and Or Shachar). *Liberty Street Economics*, 2018

[“Dealers’ Positions and the Auction Cycle”](#) (with Michael Fleming). *Liberty Street Economics*, 2015

## PERSONAL INFORMATION

*Citizenship:* United States

*Programming Languages:* Python, Stata (advanced); MATLAB, Julia (proficient)