

DIVIJ KOHLI

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EDUCATION

Ph.D. Finance

Gies College of Business, University of Illinois Urbana-Champaign

Expected: May 2027

USA

M.Sc. Applied Quantitative Finance

Madras School of Economics

2015 - 2017

India

B.Sc. (Hons.) Mathematics

University of Delhi

2011 - 2014

India

REFERENCES

Professor Julia Fonseca

Associate Professor of Finance, Gies College of Business
juliaf@illinois.edu

Professor Julian Rief

Associate Professor, Gies College of Business
jrief@illinois.edu

RESEARCH INTEREST

Household Finance, Financial Inclusion, Banking

WORKING PAPERS

House of Stolen Cards: Does Payment Security Improve Credit Outcomes for Households?

with Justin Mohr

Credit card fraud is the most common type of identity fraud in the U.S. with a cost of over \$11.64 billion. In 2014, the U.S. government pushed for widespread adoption of more secure chip-enabled credit cards to safeguard consumers from financial fraud and improve confidence in the marketplace. We study the effects of this technological innovation in payment security on household credit outcomes. Using a matched sample staggered difference-in-differences event study, we show that before this intervention fraud exposed consumers faced decline in access to credit. Post this innovation, consumers see greater credit availability. We then examine consumer behavior associated with exposure to fraud and find that consumers reduce their credit demand and face increased financial distress. These findings do not change following the innovation. Heterogeneity analysis shows that low credit score households are more likely to have higher decline in credit demand and increased financial distress. Our findings suggest that persistent consumer distrust underscores the need for further policy innovations, such as one-time passcodes for credit card transactions and sufficient financial education to consumers.

Presentations: University of Illinois Urbana-Champaign Brown Bag (2024), FMA (2024) (by co-author), Boulder Summer Conference Poster Session (2025) (scheduled)

The Effects of Deleting Medical Debt from Consumer Credit Reports

with Victor Duarte, Julia Fonseca, and Julian Reif

We study the effect of deleting medical collections from credit reports on consumer credit access and financial health. In April 2023, the three major credit bureaus announced that they had ceased reporting information about medical collections below \$500. Using a machine learning model, we show that these small medical collections have minimal predictive value for defaults, suggesting their deletion should have little to no effect on credit origination. We confirm this prediction using two separate research designs. First, using a regression discontinuity

design that compares individuals just above and below the \$500 threshold, we find no direct benefits from the information deletion, ruling out even small improvements in access to credit, repayment behavior, or subprime borrowing. Second, to assess potential indirect effects, we use our prediction model to classify consumers based on whether their predicted probability of default increases or decreases when medical collections are removed from the model. A difference-in-differences analysis comparing these groups before and after the April 2023 policy change reveals no evidence of negative spillover effects. Our findings indicate that the 2023 decision to delete small medical collections had no adverse indirect effects, but also did not benefit consumers whose information was removed. Finally, we show that large ($\geq \$500$) medical collections are also not meaningfully predictive of default, suggesting that the CFPB's proposal to delete remaining medical collections from credit reports would likely have no significant impacts.

Presentations: University of Illinois Urbana-Champaign Brown Bag (2024)

WORK IN PROGRESS

The Other Half: Monetary Policy Transmission for Households without Mortgages
with Justin Mohr and Yucheng Zhou

Presentation: Financial Management Association Early Ideas (2024)

Early Access to Credit: Good or Bad?

TEACHING AND RESEARCH EXPERIENCE

Teaching Assistant <i>Corporate Finance (Undergraduate Course) by James Mendelson, UIUC</i>	Spring 2025
Teaching Assistant <i>Corporate Finance (Undergraduate Course) by James Mendelson, UIUC</i> <i>Included on the "List of Instructors Rated Excellent by Their Students"</i>	Fall 2024
Research Assistant <i>For Prof. Can Huang</i>	2023 - 2024
Research Assistant <i>For Prof. Jaewon Choi</i>	2022 - 2023

SERVICES

Program Committee <i>Southern Finance Association 2024 Annual Meeting</i>	2024
Organizer, Finance Ph.D. Student Seminar Series <i>University of Illinois Urbana-Champaign</i>	Aug 2024- Present
Organizer, Finance Reading Group <i>University of Illinois Urbana-Champaign</i>	Aug 2023- Present
President, Indian Graduate Students Association <i>University of Illinois Urbana-Champaign</i>	May 2023- Present

HONORS & FELLOWSHIPS

Included on the "List of Instructors Rated Excellent by Their Students"	Fall 2024
Zwisler Fellowship <i>Fellowship for academic achievements</i>	2024

Outstanding Asian and Asian American Graduate Student Leader <i>Asian American Cultural Center, University of Illinois Urbana-Champaign</i>	2024
Lakonishok Doctoral Fellowship <i>University of Illinois Urbana-Champaign</i>	2022 - Present
Monteith Technology Award <i>University of Illinois Urbana-Champaign</i>	2022
Madras School of Economics' Fellowship <i>Fellowship for academic excellence</i>	2016
Madras School of Economics' Fellowship <i>Fellowship for academic excellence</i>	2015

INDUSTRY EXPERIENCE & PROFESSIONAL COURSES

Assitant Vice President <i>Barclays Bank</i>	Nov 2019 - July 2022 <i>India</i>
Associate Consultant <i>Mckinsey & Company</i>	June 2019 - Nov 2019 <i>India</i>
Financial Risk Consultant <i>Ernst & Young</i>	July 2017 - May 2019 <i>India</i>
Certified Financial Risk Manager <i>Global Association of Risk Professionals</i>	2017 - 2019
Actuarial Science Examinations <i>IFOA & IAI: CT-1, CT-3, CT-4, CT-5, CT-6, CT-7, CT-9</i>	2012 - 2017

TECHNICAL STRENGTHS

Programming Languages	STATA, SQL, Python
Tools	Latex, Tableau

PERSONAL INFORMATION

Nationality	Indian
Languages	Hindi (Native), English (Bilingual Proficiency), Punjabi (Spoken)