

Felipe Netto

Contact	Department of Economics	Mobile Phone	+1 (929) 309 6582
Information	Columbia University	Email	f.netto@columbia.edu
	420 West 118th Street	Website	https://felipesnetto.github.io/
	New York, NY 10027	Nationality	Brazilian

RESEARCH FIELDS

Primary Fields: Banking, Financial Intermediation, Corporate Finance

Secondary Fields: Macroeconomics

EDUCATION

Columbia University

Ph.D in Economics (expected) 2022

M.Phill in Economics 2019

M.A. in Economics 2018

University of Brasilia

M.A. in Economics 2016

FAE Business School

B.A. in Economics 2012

RESEARCH PAPERS

Government Banks, Competition and Interventions in Credit Markets (with Gustavo Joaquim and Jose Renato Haas Ornelas)

We study a large scale intervention in the Brazilian banking sector, characterized by a sudden increase in the supply of public credit at low interest rates. Using confidential credit registry data, we show that the increase in competition is successful in reducing private banks interest rates without large crowding out of private credit, and that larger reductions in interest rates are experienced by smaller firms. However, despite charging lower interest rates, public banks experience substantial worsening of borrower quality after the intervention. We show that the deterioration of public banks' credit portfolio is connected to loans to levered firms, and rule out alternative explanations based on asymmetric information or worse screening standards. Finally, we show that increases in government credit do not translate into higher local output. This indicates a tradeoff between state owned banks' ability to affect interest rates through increases in competition and the cost of interventions caused by a worsening of borrower quality.

Bank Incentives and the Impact of the Paycheck Protection Program (with Gustavo Joaquim)

The Paycheck Protection Program (PPP) administered hundreds of billions of dollars of loans and grants to small business through private banks. In this paper, we explore the optimal allocation of funds across firms and the distortions caused by allocating these funds through the banking system. We show that it can be optimal to allocate funds to the least or most affected firms depending on the nature of the shock, the firms' financial position and program design. Bank incentives distort the allocation towards firms with more pre-pandemic debt per-employee and a higher probability of survival

ex-ante. We show that even in an idealized experiment, the distortion from bank incentives implies that firm-level regressions can *overestimate*, while regional regressions potentially *underestimate* the effect of the PPP even when controlling for PPP demand. Moreover, we show that if bank incentives are heterogeneous across banks, a bank based instrumental variable approach will likely yield biased results. Our model thus provides a unifying framework that reconciles some of the conflicting results found in the empirical literature and guides future empirical work.

WORK IN PROGRESS

The Optimal Allocation of Relief Funds: The Case of the Paycheck Protection Program
(with Gustavo Joaquim)

Macroprudential Policy Spillovers

RESEARCH EXPERIENCE

Research Assistant *2019-2020*

Profs. Jose A. Scheinkman and Yueran Ma

- Support for theoretical model studying covenants for bank liabilities

TEACHING EXPERIENCE

Corporate Finance *Fall 2019, Spring 2020, Fall 2020*

Prof. Tri Vi Dang

Macroeconomic Analysis II *Spring 2019*

Prof. Irasema Alonso

Financial Crises *Fall 2017, Fall 2018*

Prof. Jose A. Scheinkman

Wueller Teaching Award (Runner Up) - Fall 2018

PROFESSIONAL EXPERIENCE

Financial Planning Analyst *2013*

Grupo THA Construction and Development

Market Analyst *2010-2012*

Safras & Mercados Agribusiness Consulting

Stock Broker *2010*

XP Investments Curitiba

Intern *2008-2009*

Volvo Construction Equipment

HONORS & AWARDS

Dissertation Fellowship, Columbia University *2021-2022*

Wueller Teaching Award (Runner Up), Columbia University *2018*

Dean's Fellowship, Columbia University *2016-2021*

CNPq Fellowship for Master's Program *2014-2016*

PROGRAMMING SKILLS

Programming: R, Stata, MATLAB
Tools: Git, L^AT_EX, MS Office

PERSONAL

Citizenship: Brazilian
US Status: F-1 Visa
Languages: Portuguese (native), English (fluent), Spanish (Basic)

REFERENCES

Jose A. Scheinkman

Charles and Lynn Zhang
Professor of Economics
Department of Economics
Columbia University
jose.scheinkman@columbia.edu
+1 (212) 854-3679

Martin Uribe

Professor of Economics
Department of Economics
Columbia University
mu2166@columbia.edu
+1 (212) 851-4008

Olivier Darmouni

Associate Professor
Finance & Economics
Columbia Business School
omd2109@columbia.edu
+1 (609) 375-5061