Felipe Netto

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	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
Financial Crises *Fall 2017, Fall 2018*
Prof. Jose A. Scheinkman
Wueller Teaching Award (Runner Up) - Fall 2018
Macroeconomic Analysis II *Spring 2019*
Prof. Irasema Alonso

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, LaTeX, MS Office

PERSONAL

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

REFERENCES

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