

Felipe Netto

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		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 credit provided by commercial state owned banks. Theoretically, we show that this type of policy can be beneficial in the presence of adverse selection, or harmful if public banks finance unproductive firms. We answer whether or not the policy is associated with an increase in the amount of loans to productive firms using confidential credit registry data to document a series of empirical facts. We show that while the policy leads to a reduction in private banks interest rates and to an increase in total credit, public banks experience substantial worsening of borrower risk. The deterioration of public banks' loan quality is connected to loans to levered firms, and not related alternative explanations based on selection or worse screening standards. Moreover, increases in government provided credit do not lead to higher GDP or employment growth. Our paper shows that while an expansion in public credit can lead to a reduction in the interest rates of private banks, such expansion is associated with worse borrower risk arising from loans to unproductive firms.

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

We assess the role of banks in the Paycheck Protection Program (PPP), a large and unprecedented small business support program enacted as a response to the Covid-19 crisis in the US. The PPP administered over \$525 billion in loans and grants to small businesses through the banking system. First, we provide empirical evidence of heterogeneity in the allocation of PPP funds. Firms that are

larger and less affected by the Covid-19 crisis received loans earlier, even in a within-bank analysis. Second, we develop a model of PPP allocation through banks that is consistent with the data. We show that research designs based on bank or regional shocks in PPP disbursement, common in the empirical literature, cannot directly identify the overall effect of the program. Bank targeting implies that these designs can, at best, recover the effect of the PPP on a set of firms that is endogenous, changes over time, and is systematically different from the overall set of firms that receive PPP loans. We propose and implement a model-based estimation method of the overall effect of the program and find that the PPP saved 7.5 million jobs.

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

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, L^AT_EX, MS Office

PERSONAL

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

REFERENCES

Jose A. Scheinkman

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