

FERNANDO CIRELLI

www.fernandocirelli.com

fcirelli@nyu.edu

NEW YORK UNIVERSITY

Address 19 West Fourth St., 6th Floor
New York, NY 10012-1119

Phone +1 (929) 330-2662

Placement Director: David Cesarini
Graduate Administrator: Ian Johnson

david.cesarini@nyu.edu (646) 413-8576
ian.johnson@nyu.edu (212) 998-8901

Education

Ph.D. in Economics, New York University, 2017–2023 (expected)
MA in Economics, Universidad Torcuato Di Tella, 2017
BA in Economics, Universidad Torcuato Di Tella, 2014

References

Professor Mark Gertler
19 West Fourth St., 6th Floor
New York, NY 10012-1119
mark.gertler@nyu.edu

Professor Virgiliu Midrigan
19 West Fourth St., 6th Floor
New York, NY 10012-1119
virgiliu.midrigan@nyu.edu

Professor Simon Gilchrist
19 West Fourth St., 6th Floor
New York, NY 10012-1119
sg40@nyu.edu

Professor Andrés Sarto
44 West Fourth Street, 9-78
New York, NY 10012-1119
asarto@stern.nyu.edu

Research Fields

Macroeconomics, Monetary Economics, and Macro-Finance

Teaching Experience

NYU (2019)	Macroeconomics Theory Ph.D., New York University, teaching assistant for Professor John Stachurski and Lars Ljungqvist
Di Tella (2014–2017)	Game Theory, BA, lecturer Microeconomics, BA, lecturer Macroeconomics, MA admissions course, lecturer Risk, Uncertainty, and Finance, BA, lecturer Macroeconomics, MA, teaching assistant Growth and Development, BA, teaching assistant International Monetary Economics, BA, teaching assistant

Research Experience and Other Employment

2018–2022	New York University, Research Assistant for Professor Mark Gertler
2014–2016	Universidad Torcuato Di Tella, Research Assistant for Professor Emilio Espino

Honors, Scholarships, and Fellowships

2022	Federal Reserve Board, Dissertation Fellow Federal Reserve Bank of St. Louis, Dissertation Fellow Economics Department, Sixth Year Funding for Ph.D., New York University
2017–2022	MacCracken Fellowship, New York University
2014–2016	Tuition Fellowship (50%), MA, Univ. Torcuato Di Tella
2015	University Teaching Award, 3 rd place, Univ. Torcuato Di Tella
2014	Best Undergraduate Thesis, Univ. Torcuato Di Tella

Publications

"Designing Unemployment Insurance for Developing Countries" with [E. Espino](#) and [J. M. Sanchez](#)
Journal of Development Economics, Volume 148, January 2021

The high incidence of informality in the labor markets of middle-income economies challenges the provision of unemployment protection. We show that, despite informational frictions, the introduction of an unemployment insurance savings account (UISA) system may provide substantial benefits. This system improves welfare by providing insurance to the unemployed and creating incentives to work in the formal sector. The optimal scheme generates a reduction in unemployment (from 4 to 3 percent), an increase in formality (from 68 to 72 percent) and a rise in total output (by 4 percent). Overall, individuals obtain welfare gains equivalent to a 2.4 percent increase in consumption in every period.

Research Papers

"Bank-Dependent Households and The Unequal Costs of Inflation" (*Job Market paper*)

In this paper, I argue that inflation reduces U.S. households' real return on liquid assets and impairs their precautionary savings capacity. This mechanism is motivated by two facts I document. First, around 60% of U.S. households save all their liquid assets in bank deposits. Second, interest rates on bank deposits are low and insensitive to movements in interest rates on other financial assets. Therefore, higher inflation lowers the real return on savings for deposit holders given that deposit returns do not rise, in contrast to the returns on other financial instruments. I study the magnitude of this channel using a general equilibrium heterogeneous agents model that incorporates a portfolio choice problem and a non-competitive banking sector. In the model, the joint distribution of households' portfolio choices and wealth shapes demand elasticities for deposits and, therefore, influences banks' optimal interest rates. The model can reproduce the portfolio distribution and interest rates observed in U.S. data, both in the calibrated steady state and after temporary shocks. I use the model to study the consequences of a rise in trend inflation and a short-lived inflationary shock. The model predicts that the welfare costs of higher inflation are concentrated in low and mid-wealth households, which depend on deposits for consumption-smoothing and find it harder to save due to lower real returns. Consequently, this model suggests that inflation increases wealth concentration.

"Economic Winners versus Losers and The Unequal Pandemic Recession" with Mark Gertler
(submitted)

As is well known, during the pandemic recession firms directly exposed to the virus, i.e. the “contact” sector, contracted sharply and recovered slowly relative to the rest of the economy. Less understood is how firms that “won” by offering safer substitutes for contact sector goods have affected this unequal downturn. Using both firm and industry data, we first construct disaggregated measures of revenue growth that distinguish between contact sector losers, contact sector winners, and the non-contact sector. We show that contact sector losers contracted roughly fifty percent more than the sector average, while winners grew. Further, forecast data suggests that the gap between winners and losers will persist at least through 2022. To explain this evidence, we then develop a simple three sector New Keynesian model with (i) a sector of firms that offers safe substitutes for risky contact sector goods and (ii) learning by doing. Overall, the model captures the unequal sectoral recession. It also accounts for inflation, including the sharp runup in 2021.

Research In Progress

"Digital Money Goes Public: A Study on Central Bank Digital Currency"

I study the introduction of a Digital Currency issued directly by the Central Bank (CBDC) to households. In a general equilibrium model with monopolistic banks and imperfect substitute forms of liquidity, this new means of payment presents a clear trade-off: it helps lower banks' markup by increasing competition, but at the cost of undermining bank lending. In an economy calibrated to the US, I find that if banks' market power is the main friction in the banking sector, then the introduction of a CBDC will lower liquidity costs together with a positive impact on lending. However, if leverage constraints are relevant, bank lending is reduced, but not substantially.

Other Information

Languages: English, Spanish

Citizenship: Argentina, Italy, US F1 Visa