

Filippo Pallotti | CV

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Macroeconomics; Heterogeneous-Agent Macro (HANK); Administrative Data

CURRENT POSITIONS

Lombard Odier - Macro Strategist, Vice President Nov. 2023 - Ongoing
Geneva Graduate Institute - Visiting Professor in International Finance 2025 - Ongoing

PREVIOUS EMPLOYMENT

Bank of England - PhD Trainee @ Monetary Policy Outlook Division Summer 2023
European Central Bank - PhD Trainee @ DG Research 2022 - 2023
Stanford University - Predoctoral Research Fellow @ SIEPR 2016 - 2017
Princeton University - Visiting Student Research Collaborator @ Department of Economics 2016

EDUCATION

University College London - *PhD in Economics* - passed with no corrections 2019-2025
University College London - *MRes in Economics* - distinction in all courses 2017-2019
University of Pisa - *MSc in Economics* - 110/110 cum laude 2013-2015
University of Pisa - *BSc in Economics* - 110/110 cum laude and commendation 2010-2013
Scuola Superiore Sant'Anna - *Honors college student in Economics* - 100/100 cum laude 2010-2015
École Normale Supérieure - *Exchange Student @ Department of Social Science, Paris, Rue d'Ulm* 2013

PUBLICATIONS

○ "Who Bears the Costs of Inflation? Euro Area households and the 2021–22 Shock", with G. Paz-Pardo (ECB), J. Slacalek (ECB), O. Tristani (ECB) and G. Violante (Princeton), *Journal of Monetary Economics*

Abstract: We measure the heterogeneous first-order welfare effects of the recent inflation surge across households in the euro area. A simple framework illustrating the numerous transmission channels of surprise inflation to household welfare guides our empirical exercise. By combining micro data and aggregate time series, we conclude that: (i) country-level average welfare costs – expressed as a share of triennial income – were sizable and heterogeneous: around 3% in France and Spain, 7% in Germany, and 9% in Italy; (ii) this inflation episode resembles an age-dependent tax, with the retirees losing up to 14%, and roughly half of the 25–44 year-old winning; (iii) losses were quite uniform across consumption quantiles because rigid rents served as a hedge for the poor; (iv) nominal net positions were the key driver of heterogeneity across-households; (v) the rise in energy prices generated vast variation in individual-level inflation rates, but unconventional fiscal policies helped shield households. The counterpart of this household-sector loss is a significant gain for the government.

WORKING PAPERS

- "The Fisher Channel According to HANK: Unexpected Inflation and the Missing Recession"

Abstract: This paper argues that the post-pandemic U.S. expansion has been partly sustained by *Fisher-type redistribution* from nominal creditors to nominal debtors. I build a Heterogeneous-Agent New Keynesian model with long-duration nominal claims disciplined to two micro targets: the cross-section of net nominal positions (NNP) and the covariance between NNP and marginal propensities to consume (MPCs). Feeding in the realized 2021–22 price-level surprise, the model implies an impact rise in aggregate consumption of about 0.5% and a moderate but persistent increase in inflation of about 0.3pp. A behavioral extension, capturing households' partial awareness of debt devaluation, dampens the impact response yet prolongs the effects. I validate the mechanism using a large U.S. fintech panel (430k households, daily flows), combining cross-sectional variation in baseline exposures with local-projection dynamics: results are consistent with the model and lean towards the behavioral extension. Finally, I show that an active Fisher channel amplifies conventional monetary policy and reshapes the role of nominal rigidities in its transmission to aggregate demand.

- "Winners and Losers from Unexpected Inflation", accepted in *ECB Working Papers*, submitted top-field

Abstract: I document the evolution of nominal positions in the US over the last two decades and estimate the redistributive effects of several inflation episodes. I find that the US government gained around 4.5% of US GDP from the 2021 inflation shock, essentially at the expense of foreigners. In addition, there has been a significant concentration of nominal assets among the wealthiest middle-aged and elderly households, who lost substantially. Most other groups of households gained on average. The financial sector is extremely exposed to anticipated inflation. Raising the inflation target by 2pp would have generated a modest gain for the household sector, especially at the start of the Great Recession.

WORK IN PROGRESS (SELECTED)

- "The Short-Term Effects of Monetary Policy", with Lennart Brandt (BoE), Johannes Fisher (Bundesbank), Carl-Wolfram Horn (Frankfurt School of Finance) and Silvia-Miranda Agrippino (NY Fed)

Abstract: We study how fast monetary policy affects real activity using a new daily dataset for the United Kingdom that links card spending, vacancy postings, online prices, and labor-market sentiment to high-frequency policy shocks. We estimate a six-variable Bayesian Proxy-SVAR at daily frequency, using the Path Factor of Braun et al. (2025) as an external instrument for the policy innovation and a break-in-volatility prior à la Lenza and Primiceri (2022) to accommodate Covid-era heteroskedasticity. In response to a contractionary shock, household spending declines immediately, job-search sentiment deteriorates on impact, and firms reduce vacancy postings within weeks. Financial conditions tighten while consumer prices remain flat. The results imply that monetary transmission operates much faster than typically assumed in quarterly models. We interpret the near-instantaneous fall in spending as evidence of an expectations channel -monetary announcements that swiftly alter households' perceptions of income and labor-market prospects - suggesting that policy strategies predicated on long transmission lags may be misguided.

- "Measuring Intertemporal MPC with high-frequency data", with Richard Blundell (UCL), Vasco Carvalho (Cambridge), Tao Chen (UCL), Stephen Hansen (UCL) and Gianluca Violante (Princeton)

REFEREEING

- Quarterly Journal of Economics
- European Economic Review
- Economic Journal

GRANTS AND SCHOLARSHIPS (ALL MERIT-BASED)

- Stone Center Research Support Grant, £ 20,000 2023
- Stone Center PhD Scholarship, £ 10,000 2023
- ESRC Studentship Enhancement for Advanced Quantitative Methods, ca. £ 10,000 2018-2022
- ESRC Graduate Studentship, ca. £ 70,000 2018-2022
- UCL Department of Economics, ca. £ 5,000 2017
- Scuola Superiore Sant'Anna, equiv ca. € 60,000 2010-2015
- Fee waiver/additional stipend for courses in macro at LSE (2013, 2018) and Barcelona GSE (2015)

CONFERENCE PRESENTATIONS AND INVITED SEMINARS

- 2025 (including scheduled): Swiss Macro Workshop (Sils-Maria), St. Gallen, ICMAIF (Crete), Barcelona GSE Summer Forum, Royal Economic Society (Birmingham), Study Center Gerzensee, Oz-Mac Workshop.
- 2024: Queen Mary University of London, Barcelona GSE Summer Forum, EEA-ESEM, CEBRA.
- 2023: ECB DGR (2), UCL (2), Bank of Italy, London Business School, Mannheim, CESifo (Munich), EEA-ESEM, Paris School of Economics, Bank of England, Central Bank of Ireland.
- 2022: ECB DGR, UCL, Surrey, Naples, ECB Macprudential Analysis Group (MPAG)

OTHER TEACHING

- Guest Lecturer @ University of Aix-Marseilles - *Economic tools for Business* 2025
- Instructor @ University College London - *Introduction to Economics* 2020

TEACHING ASSISTANT @UCL

- *Advanced Macroeconomic Theory* (Graduate): 2019, '20, '21 - TA for Prof. R. Luetticke and A. Olivi.
- *Maths Camp* (Graduate), 2019, '20, '21, '22 - TA for Professor Daniel Wilhelm
- *Economics of Finance* (Undergraduate), 2020, '22 - TA for Professor Albert Marcet
- *Economics of Growth* (Undergraduate), 2023 - Ta for Professor Lukasz Rachel
- *Macroeconomics* (Undergraduate), 2019 - TA for Professor Wei Cui.

REFERENCES

Morten O. Ravn

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Adrien Auclert

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Stanford University
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IT SKILLS

Programming languages: Python, SQL, PySpark, Matlab, Stata

Softwares: Bloomberg, Git, MS Office, \LaTeX

Languages: English, Italian