

Genevieve Nelson

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Office Contact Information

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Undergraduate Studies

Master of Arts with Honours Economics (First Class), University of Edinburgh, 2010 - 2014

Graduate Studies

University of Oxford, 2014 - Present
Ph.D. Candidate in Economics
Thesis Title: "Three Papers on Macro-Financial Frictions"
Expected Completion Date: June 2020

References:

Professor Andrea Ferrero (Advisor)
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Professor Michael McMahon
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Monetary Studies Function,
Federal Reserve Bank of New York
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Teaching and Research Fields: Macroeconomics.

Research Experience and Other Employment

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| June - August 2019 | Federal Reserve Bank of New York, AEA Dissertation Fellow, Research & Statistics Group |
| September - November 2018 | Bank of England, PhD Intern, Monetary Policy Outlook Division |
| June - August 2018 | Federal Reserve Bank of Chicago, AEA Dissertation Fellow, Economic Research Department |
| August - November 2017 | Bank of Canada, PhD Intern, Model Development Division, Canadian Economic Analysis Department |

Teaching Experience

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| 2017 - 2020 (Winter/Spring Term) | Core Macroeconomics, Trinity College, University of Oxford, Tutorial Lecturer in Economics for Professor Andrea Ferrero |
| 2016 - 2018 (Winter/Spring Term) | Core Macroeconomics, St. Catherine's College, University of Oxford, Tutorial Lecturer in Economics for Professor Alex Teytelboym & Mr. Andrew Elliot |

Honors, Scholarships and Fellowships

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| 2019 - 2020 | University of Oxford, Department of Economics Final-Year Doctoral Bursary |
| 2017 - 2018 | Royal Bank of Canada Scholarship, Maple Leaf Trust's Canadian Centennial Scholarship Fund |
| 2016 - 2018 | University of Oxford, Department of Economics Doctoral Bursary & Graduate Teaching Assistantship |

Seminar and Conference Presentations

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| 2019 | Bank of Canada Graduate Student Workshop, Federal Reserve Bank of New York, Computing in Economics & Finance Conference, Royal Economics Society Junior Researchers Symposium, Oxford Macroeconomics Working Group, Bank of England (Macro-Prudential Strategy and Risk Division). |
| 2018 | Bank of England (Monetary Policy Outlook Division), Federal Reserve Bank of Chicago, Oxford Macroeconomics Working Group. |
| 2017 | Bank of Canada, Oxford Gorman Workshop. |

Research Papers

“Securitization and House Price Growth” (Job Market Paper)

The Great Recession resulted in over 2 million foreclosures and an 11 trillion dollar drop in the net worth of American households. It was preceded by an unprecedented boom in US house prices that was accompanied by a dramatic increase in the private and unregulated sector’s holdings of US mortgages. I find that innovation in the private mortgage securitization market drove at least two-thirds of house price appreciation and about one-third of the increase in non-conforming mortgage credit in the US between 2000 and 2006. This is the only driver of house price growth that is consistent with the simultaneous increase in mortgage credit and decrease in mortgage spreads in the data. A key feature in my model is the financial constraint placed on the balance sheet of mortgage securitizers. It is the ultimate limit on the quantity of mortgage credit the aggregate financial sector can absorb given the mortgage spread. This *balance sheet effect* is missed by standard DSGE models with housing. When financial intermediaries face financial constraints which limit the size and composition of their balance sheet any shock that increases the quantity of mortgage credit held by the financial sector in aggregate will push mortgage spreads up, including a generic credit supply shock: that is, an increase in the savers’ desire to save. Innovation in Securitization is the exception because it directly relaxes the limits on aggregate mortgage credit held by the financial sector.

“The Portfolio Balance Channel of Quantitative Easing in a DSGE Model with Financial Frictions”

I simulate the Federal Reserve’s Quantitative Easing purchases (the first and second round of Large-Scale Asset Purchases and the Maturity Extension Program) in a DSGE model with a costly-state verification financial friction. In total, Quantitative Easing limits the drop in output by two-thirds of a percentage point and the drop in consumption by 3 percentage points, relative to a simulation of the Great Recession without a policy response. The addition of the costly-state verification friction primarily magnifies the impact of Quantitative Easing on consumption. In the model Quantitative Easing has a role because households have preferences over the ratio of long-to-short term assets in their portfolio. The model captures the portfolio balance channel because it links the rate on long-term government debt to wider financing conditions (which are subject to the financial friction).

Work in Progress

“Optimal Policy Under Mortgage Securitization”