MAYUR CHOUDHARY

Finance Department, London Business School • London NW1 4 SA

(+44) 7776269528 • mchoudhary@london.edu

EDUCATION

London Business School *September 2019 - Present*
Fourth-year Ph.D.

Indian Institute of Technology Kharagpur *July 2007 - April 2011*
Bachelors of Technology (Hons.)
Department of Electronics and Electrical Communication Engineering

Indian Institute of Management Calcutta *June 2011 - April 2013*
Post Graduate Diploma in Management

FIELDS OF INTEREST

- Political Economy, Regulations, Banking, Financial Intermediation

WORKING PAPERS

Political Finance and Party Preferences

Abstract: Politicians' influence depends on their relationships with other powerful politicians. In a network of elected representatives, I consider network centrality as a measure of such power. First, I show that a politician's centrality in this network is positively associated with her funding. Using exogenous variation in funding due to shocks to private output growth rates and the proportion of high-income earners in the congressional district, I show that candidates with higher funding tend to be more central in the network. Political parties control the distribution of such relationship-based power among elected party members through their assignments to various committees. The parties have preference over different attributes of the representatives such as their fund-raising skills, legislative productivity etc. Using a random utility model I show that political parties have a stronger preference for candidates with superior fund-raising skills over ones with a stronger legislative record. These results highlight how the reliance of political parties on external financing may lead to a bias in favour of candidates with strong financial backing. The relationship between funding and political power is robust to alternative measures of power such as the legislative productivity of representatives and other network-based measures such as the Shapley values and Power centrality.

Bank Stress Tests: Frequency vs. Strength
with Deepal Basak and Zhen Zhou

Abstract: Bank stress tests can be an effective information disclosure policy in persuading stakeholders to avoid "attacking" a bank, thereby decreasing the probability of bank failure during distress. This paper studies stress test design along two dimensions: strength and frequency, assuming stakeholders are privately informed and move sequentially. We characterize all robustly persuasive stress tests that ensure all bank stakeholders disregard private information and coordinate actions perfectly based on test results ("pass" or "fail"). Our findings indicate that more frequent stress tests can substitute for increased test strength in making the stress test result robustly persuasive. We then identify the optimal stress test policy and investigate how the optimal frequency and strength depend on macroeconomic conditions, bank idiosyncratic characteristics, and endogenous maturity choices of banks. Finally, we discuss how other regulatory measures may complement the stress test policy.

TEACHING EXPERIENCE

- Advanced Corporate Finance (Prof. Lakshmi Naaraayan, Prof. Rebecca Desimone)
- Mergers (Prof. Julian Franks)
- Investments and Valuations (Prof. Ian Cooper)

PROFESSIONAL EXPERIENCE

Ocwen Financial Corporation January 2015 - October 2016
Practice Manager, Corporate Strategy

- Analysed the financial data of the company and equity analysts' financial models to provide guidance on the company's financial performance in the quarterly and annual earnings call

Deutsche Bank AG June 2013 - January 2015
Analyst, Global Transaction Banking

- Sales and solutions advisory for working capital management of large local & multinational corporations

TECHNICAL STRENGTHS

Language/Software	**Skill Level**
C, MATLAB, Excel, $\LaTeX\,2_\varepsilon$	Advanced
Mathematica, R, VBA	Intermediate
Stata, Python	Beginner