

SEUNGEUN LEE

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University of Maryland, Department of Economics

EDUCATION

Ph.D. in Economics <i>University of Maryland at College Park</i>	2018 - present
M.A. in Economics <i>Seoul National University</i>	2016 - 2018
B.A. in Economics & B.S. in Mathematics First class honors <i>Sogang University</i>	2012 - 2016

FIELDS OF INTEREST

Primary: International Finance, Macroeconomics

Secondary: Corporate Finance, Macro-Finance

RESEARCH

“Dollar Invoicing and the Global Financial Cycle” (*work in progress*)

Abstract: Most international trade is invoiced in the US dollar. This paper studies variations in dollar invoicing over time and the role of the global financial cycle. I present three stylized facts about the dynamic movements of invoicing and borrowing currency decisions. First, dollar invoicing shares in exports positively co-move with dollar borrowing shares of firms. Second, both dollar borrowing and dollar invoicing shares positively co-move with the VIX, where dollar borrowing shares are more strongly correlated with the VIX than dollar invoicing shares. Third, countries with higher correlations between shares of dollar borrowing and the VIX also have higher correlations between dollar invoicing shares in exports and the VIX. Based on these stylized facts, I develop a model with dollar borrowing as a key channel that links dollar invoicing in exports and the global financial cycle. The key mechanism is that as dollar borrowing becomes cheaper during the global financial downturns, firms invoice more of their exports in dollars to secure dollar revenues that are used as collateral to increase dollar borrowing. The calibrated model fits the stylized facts well, and also provides additional testable implications.

“Corporate Cross-border Borrowing and Macroprudential Policy” (*working paper*)

Abstract: This paper presents both empirical and theoretical analyses about the effects of macroprudential policy measures (MPMs). I first examine the effectiveness of MPMs in mitigating the response of corporate loans to a US monetary expansion, using panel data constructed from Dealscan database, IMF macroprudential policy index (MPI), and other macro variables. I find that MPMs can effectively attenuate the increase in corporate loans responding to a US monetary expansion, but the effects are dampened as the country's share of foreign loans goes up. This is because firms borrow more across borders with a decrease in the US rate but MPMs cannot regulate the international borrowing. The introduction of capital flow management measures (CFMs) can help MPMs in managing corporate loans since they regulate capital inflows directly. My findings from a two-period model are consistent with the empirical evidence. I find that a special case of MPM, concentration limits, can effectively reduce the level and the growth of corporate loans when there is a decrease in the world interest rate. However, the effects of the MPM are dampened when firms are allowed to increase foreign borrowing, which can be resolved with the introduction of CFMs. An additional constraint imposed by a CFM can set a lower bound for a measure of the effectiveness of MPMs by limiting firms from borrowing overly from abroad.

PRE-DOCTORAL RESEARCH

“The Yield Curve and Monetary Policy in a Small Open Economy” (*M.A. Thesis*)

Abstract: This paper analyzes co-movements among the yield curves of small open countries, and the efficiency of each country’s monetary policy. First, I estimate a dynamic factor model to find common movements among the yield curves of six small open countries: Australia, Canada, Denmark, Norway, Switzerland, and the United Kingdom. The empirical results show that nominal interest rates of the countries are well-accounted for by their US counterpart, rather than the small open countries’ policy rates at long maturities. This may imply that the long-term rates decouple from the short-term policy rates in the small open countries, resulting in limited effects of the countries’ monetary policy. Thus, to examine the effectiveness of monetary policy, I analyze dynamic responses of macro variables to monetary expansions in Canada and Norway. Estimating a vector auto-regression (VAR) model, I conclude that the high yield curve correlations with the United States reduce the impacts of expansionary monetary policy in small open countries. Norway, whose interest rates are the least explained by the US rates, succeeds in boosting its economy by decreasing the policy rate. On the other hand, Canada, which has the highest yield curve correlations with its US counterpart, fails to invigorate economic activities by monetary expansion.

WORK EXPERIENCE

Research Officer, Research Department, International Monetary Fund	2021 Jan - present
Research Assistant, Seoul National University, Prof. Woong Yong Park,	2016

TEACHING EXPERIENCE

Instructor, Intermediate Macroeconomic Analysis, University of Maryland, *Summer 2020, 2021*
Teaching Assistant, Intermediate Macroeconomic Analysis, University of Maryland, *Spring 2020*
Teaching Assistant, Intermediate Macroeconomic Theory and Policy, University of Maryland, *Fall 2018-19, Spring 2019*
Teaching Assistant, Applied Macroeconomics, Seoul National University, *Spring 2017, 2018*
Teaching Assistant, Graduate Macroeconomics, Seoul National University, *Fall 2016, 2017*

AWARDS AND HONORS

Graduate Assistantship, University of Maryland	2018 - present
Graduate School Fellowship, Seoul National University	2016 - 2017
BK21 Research Scholarship, Ministry of Education, Korea	2016
Dean’s List Awards, Sogang University	2015
Departmental Honors, Sogang University	2012 - 2015
Merit-Based Scholarship, Sogang University	2012 - 2015
Mario/Um Baekyong Scholarship, Sogang School of Economics	2014
National Scholarship, Korea Student Aid Foundation, Korea	2012 - 2014
Sogang Global Scholarship, Sogang University	2013

SKILLS AND LANGUAGES

Skills: MATLAB, Stata, Python, R, SQL, HTML, Eviews, LaTeX
Languages: English (fluent), Japanese (intermediate), Korean (native)