

# GARA AFONSO

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Federal Reserve Bank of New York  
Research Group  
Money and Payments Studies  
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## APPOINTMENTS

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2008-present Federal Reserve Bank of New York.  
July 2010 Economist A - Research Group, Money and Payments Studies Function.  
Sept 2008 Economist B - Research Group, Money and Payments Studies Function.  
2010-2012 NYU, Visiting Scholar.  
May 2009, October 2010 CEMFI, Visiting Researcher.

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## EDUCATION

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2006-2008 PhD Finance (Supervisors: Prof. Hyun S. Shin & Prof. Dimitri Vayanos).  
The London School of Economics and Political Science.  
2006-2008 Visiting Student / Visiting Student Research Collaborator.  
Princeton University - Department of Economics.  
2003-2004 MSc Finance and Economics.  
The London School of Economics and Political Science.  
1999-2003 BSc in Business Administration (Finance).  
Universidad Carlos III de Madrid.  
Ranked first in graduating class (1/355).

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## HONORS AND AWARDS

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2010 Excellence Award (Research), Federal Reserve Bank of New York.  
2010 Excellence Award (Policy), Federal Reserve Bank of New York.  
2009 Excellence Award for Best Alumni (Universidad Carlos III de Madrid).  
2007-2008 Fellowship for graduate studies, Fundación Ramón Areces.  
2006-2007 Fellowship, Department of Economics, Princeton University.  
2005-2006 Scholarship for postgraduate studies, Fundación Caja Madrid.  
2003-2005 Scholarship for postgraduate studies, Bank of Spain.  
1999-2003 Best overall grades (highest academic honor to undergraduate students),  
Universidad Carlos III de Madrid.

## PUBLICATIONS, WORKING PAPERS AND WORK IN PROGRESS

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### PUBLICATIONS

- ◇ “Precautionary Demand and Liquidity in Payment Systems,” with Hyun Song Shin, *Journal of Money, Credit and Banking*, 43 (s2), 589-619, October 2011
- ◇ “Stressed, not Frozen: The Federal Funds Market in the Financial Crisis,” with Anna Kovner and Antoinette Schoar, *Journal of Finance*, 66 (4), 1109-1139, August 2011
- ◇ “Liquidity and Congestion,” *Journal of Financial Intermediation*, 20 (3), 324-360, July 2011
- ◇ “Imperfect Common Knowledge in First Generation Models of Currency Crises,” *International Journal of Central Banking*, 3 (1), 81-111, 2007

### OTHER PUBLICATIONS

- ◇ “When Do Trade Frictions Increase Liquidity?” *Liberty St. blog*, forthcoming
- ◇ “Money and Payments Workshop Examines Repo Market Reform,” with Antoine Martin, *Liberty St. blog*, October 2011
- ◇ “What happened to US interbank lending in the financial crisis?” with Anna Kovner and Antoinette Schoar, *VoxEU*, April 2010, <http://www.voxeu.org/index.php?q=node/4941>

### WORKING PAPERS

- ◇ “Trade Dynamics in the Market for Federal Funds,” with Ricardo Lagos
- ◇ “The Importance of Trading Relationships in the Fed Funds Market,” with Anna Kovner and Antoinette Schoar
- ◇ “Systemic Risk and Liquidity in Payment Systems,” with Hyun Song Shin
- ◇ “How do Banks Scramble for Liquidity? - Evidence from the Asset-Backed Commercial Paper Freeze of 2007,” with Viral Acharya and Anna Kovner

### WORK IN PROGRESS

- ◇ “An Empirical Study of Trade Dynamics in the Market for Federal Funds,” with Ricardo Lagos
- ◇ “Information in the Fed Funds Market,” with Anna Kovner and Antoinette Schoar
- ◇ “Search for Yield,” with Prasanna Gai and Nicholas Vause

## CONFERENCES AND SEMINARS

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### SEMINARS

- ◇ LSE Finance Seminar, 23 November 2011.
- ◇ Imperial College Business School, 16 November 2011.
- ◇ IESE/ESADE Finance Seminar, 14 November 2011.
- ◇ Federal Reserve Bank of New York, 1 November 2011.
- ◇ Bank of Canada, 21 July 2011.
- ◇ Universidad Carlos III de Madrid, 7 June 2011.
- ◇ Federal Reserve Bank of Atlanta, 27 April 2011.
- ◇ CEMFI, 18 February 2011.

- ◇ Bank of Mexico, 4 March 2010.
- ◇ Bank of Japan, 10 July 2009.
- ◇ Bank of Korea, 2 July 2009.
- ◇ Korea Institute of Finance, 30 June 2009.
- ◇ Finance Seminar, IESE, 25 May 2009.
- ◇ External Finance Seminar, Universitat Pompeu Fabra, 22 May 2009.
- ◇ Finance Seminar, Universidad Carlos III de Madrid, 18 May 2009.
- ◇ Bank of Spain, 14 May 2009.
- ◇ CEMFI, 12 May 2009.
- ◇ Joint Seminar by CFS, European Central Bank and Deutsche Bundesbank, 25 June 2008.
- ◇ Economic Theory Workshop, UCLA, 8 May 2008.
- ◇ The Federal Reserve Board, 7 February 2008.
- ◇ Robert H. Smith School of Business, University of Maryland, 4 February 2008.
- ◇ The Federal Reserve Bank of New York, 25 January 2008.
- ◇ Stephen M. Ross School of Business, University of Michigan, 23 January 2008.
- ◇ Fuqua School of Business, Duke University, 18 January 2008.
- ◇ McIntire School of Commerce, University of Virginia, 15 January 2008.
- ◇ Jean-François Leuba Seminar Series in Finance, University of Lausanne, 9 January 2008.
- ◇ The Civitas Foundation Finance Seminar, Princeton University, 26 September 2007.
- ◇ Finance Workshop, Princeton University, 17 October 2006.
- ◇ FMG PhD Seminar, London School of Economics, 24 November 2004.

#### CONFERENCES & WORKSHOPS:

- ◇ NBER Asset Pricing Program Meeting, 4 November, 2011.
- ◇ 2011 Meeting of the Society for Economic Dynamics, Ghent (Brussels), 7-9 July 2011.
- ◇ 2011 WFA Annual Meetings, Santa Fe (New Mexico), 19-22 June 2011.
- ◇ The Paul Woolley Centre for the Study of Capital Market Dysfunctionalities Fourth Annual Conference, London (United Kingdom), 9-10 June 2011.
- ◇ 2010 Meeting of the Society for Economic Dynamics (*Invited contribution*), Montreal (Canada), 8-10 July 2010.
- ◇ Macroeconomic policies in a crisis period, 8e Journées of the Fondation Banque de France (*Invited contribution*), Paris (France), 21-22 June 2010.
- ◇ NBER Corporate Finance Program Meeting, Chicago, 23 April, 2010.
- ◇ 2009 Meeting of the Association for Public Economic Theory (*Invited contribution*), Galway (Ireland), 18-20 June 2009.
- ◇ Financial Intermediation Research Society Conference on Banking, Corporate Finance and Intermediation, Prague (Czech Republic), 27-29 May 2009.
- ◇ Workshop on Payment Economics: Theory and Policy, Bank of Canada, 19-20 Nov 2008.
- ◇ Conference on Liquidity in Frictional Markets, FRB of Cleveland, 14-15 November 2008.
- ◇ Econometric Society European Meeting, Milan (Italy), 27-31 August 2008.
- ◇ 2008 Meeting of the Society for Economic Dynamics (*Invited contribution*), MIT, 10-12 July 2008.
- ◇ Cycles and Crises, Université Louis Pasteur Strasbourg, 31 May 2008.
- ◇ Workshop on Money and Payments, Federal Reserve Bank of New York, 26 Oct. 2007.
- ◇ Econometric Society European Meeting, Budapest (Hungary), 27-31 August 2007.

- ◇ Finance Research Camp, Princeton University, 30 July 2007.
- ◇ Cycles, Contagion and Crises, Financial Markets Group, London, 28-29 June 2007.
- ◇ XIII Foro de Finanzas, Madrid (Spain), 17-18 November 2005.
- ◇ Econometric Society World Congress 2005, London (U.K.), 19-24 August 2005.
- ◇ IX Jornadas de Economía Internacional, La Laguna (Spain), 23-25 June 2005.

#### CONFERENCE DISCUSSIONS:

- ◇ NBER Market Microstructure Meeting, 16 December 2011.
- ◇ Workshop on Money and Payments, Federal Reserve Bank of New York, 2 October 2009.
- ◇ Financial Intermediation Research Society Conference on Banking, Corporate Finance and Intermediation, Prague (Czech Republic), 27-29 May 2009.
- ◇ XIII Foro de Finanzas, Madrid (Spain), 17-18 November 2005.

#### RESEARCH EXPERIENCE AND TEACHING EXPERIENCE

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- ◇ Co-organizer of the 2011 Money and Payments Workshop, FRB of NY, October 7, 2011.
- ◇ Co-organizer of the 2010 Money and Payments Workshop, FRB of NY, October 1, 2010.
- ◇ Co-organizer of the NY Fed Finance Seminar and Newsletter, FRB of New York, 2009-11.
- ◇ Organizer of the Money and Payments Studies Seminar, FRB of New York, 2009-11.
- ◇ Teaching Assistant, *Corporate Finance and Financial Institutions*, Princeton University, Spring 2008.
- ◇ Research Assistant to Prof. Hyun S. Shin, Fondation Banque de France project, “Systemic Risk and Liquidity in Payment Systems”, 2007-2008.
- ◇ Visiting Student Research Collaborator, Princeton University, 2006-2008.
- ◇ Research Assistant to Prof. Hyun S. Shin, ESRC project, “Stability of the Global Financial System: Regulation and Policy Response”, LSE, 2005-2006.
- ◇ Organizer of the Stability of the Global Financial System Seminar, LSE, 2005-2006.
- ◇ Internship, Financial Stability Assessment Division, Bank England, Summer 2005.
- ◇ Teaching Assistant, *Principles of Finance*, London School of Economics, Fall 2004.

#### REFEREE EXPERIENCE

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- ◇ Review of Economic Studies, Journal of Finance, Journal of Economic Theory, Journal of the European Economic Association, Journal of Financial Intermediation, Journal of Money, Credit and Banking, Review of Economic Dynamics, American Economic Journal: Macroeconomics, International Economic Review, Annals of Finance, Finance Research Letters, International Journal of Central Banking, Financial Stability Series of the Bank of England.

#### PROFESSIONAL MEMBERSHIPS

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- ◇ American Finance Association, Econometric Society, and Society for Financial Studies.

#### PHD EXAMINER

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- ◇ Eduardo Emilio Theurel Félix, El Colegio de México, A. C. (Mexico), 5 March 2010.