

LUIS A. SIMON

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EDUCATION *Ph.D.*, Economics Expected Jun. 2020
• *Research Fields:* Macrofinance, Financial Economics, Monetary Economics
M.A., Economics Jun. 2017
The University of Chicago, Chicago, IL.

M.A., Economic Theory Aug. 2014
B.A., Economics (with highest honors) Nov. 2013
Instituto Tecnológico Autónomo de México (ITAM), Mexico City, Mexico.

PROFESSIONAL EXPERIENCE **AQR Capital Management** Summer 2018
PhD Intern

- Researched emerging markets sovereign debt and proposed investment signals for this asset class.
- Implemented and backtested a long/short factor investment strategy based on these new signals using Python.

Central Bank of Mexico Jan. 2012 - Aug. 2014
Monetary Research Department, Directorate of Economic Research
Economist

- International monetary policy analysis. Research in topics related to differences between countries and international comparisons with Mexico.
- Analysis of current juncture events focused on the global monetary policy stances as well as growth and inflation expectations.
- Research on macroeconomic fundamentals and real exchange rate adjustments in emerging economies.

Intern

- Performed two research and analysis projects focused on providing an overview of the Mexican stock exchange and the current situation of the American real estate market.

WORK IN PROGRESS

Capital Requirements in a Model with Bank Runs: The 2008 Run on Repo (Job Market Paper)

Abstract:

Capital requirements involve a trade-off between financial intermediation and financial stability. I analyze this trade-off in a macroeconomic model that allows for systemic bank runs, à la Gertler and Kiyotaki (2015). I show that fixed capital requirements make the economy more prone to runs because they slow down the recovery and reduce welfare compared to the laissez-faire benchmark. On the other hand, appropriately chosen countercyclical capital requirements can increase both financial stability and welfare. To weigh the costs and benefits of this policy, I estimate the probability of a systemic shock to the financial sector from CDS data and find it to be around 0.5% per year prior to the 2007-09 financial crisis. I then show that the cost of implementing a countercyclical capital requirement that would have prevented the run on repo markets in 2008 would have been 3% of steady state bank capital and less than 0.1% in consumption terms.

How does Bank Size Affect Monetary Policy Transmission?

Abstract:

Using call reports, I document some empirical facts about the size distribution of commercial banks and the characteristics of banks by size. I then show how the presence of large banks affects the transmission of changes in the policy rate to consumer rates. A 1% change in the Fed Funds rate is associated with a 1% increase in loans as share of the balance sheet by large banks but only a 0.4% increase for small banks.

What are the Aggregate and Redistributive Effects of Changing the Size and Composition of the Central Bank's Balance Sheet?

Abstract:

This paper uses a production economy with intermediaries facing an equity capital constraint to analyze the effects of changes in the size and composition of the balance sheet of the central bank. Tilting the portfolio towards riskier assets helps the economy overcome crisis states faster but redistributes wealth from the households to the intermediaries.

RESEARCH	<i>Research Assistant</i> for Professor Veronica Guerrieri	Winter 2017 - Spring 2017
	<i>Research Assistant</i> for Professor Lawrence Schmidt	Fall 2015 - Fall 2016
	<i>Referee:</i> Journal of Political Economy	
	<i>Effect of an Asset Purchase Policy in an Emerging Economy</i> (in Spanish). <i>Gaceta de Economía</i> 32 (2014). Pp 27-57.	
TEACHING EXPERIENCE	<i>Lecturer (UChicago, undergraduate)</i>	Fall 2017
	Fiscal and Monetary Policy course.	
	<i>Teaching Assistant (Chicago Booth, M.B.A.)</i>	Winter 2017 - Summer 2019
	Money and Banking course for Professor Randall Kroszner.	
	Money and Banking course for Professor Kinda Hachem.	
	Managing the Workplace course for Professor Canice Prendergast.	
	<i>Teaching Assistant (UChicago, undergraduate)</i>	Winter 2016, Spring 2017
	Financial Economics course for Professor Fernando Álvarez.	
	Honors Macroeconomics course for Professor Kotaro Yoshida.	
	Introductory Econometrics course for Professor Ingvil Gaarder.	
HONORS AND AWARDS	<i>Teaching Assistant (ITAM, undergraduate)</i>	Fall 2011 - Spring 2013
	Monetary Theory and Policy course for Professor Daniel Sámamo.	
	Microeconometrics course for Professor Laura Juárez.	
	Introductory Economics course for Professor Magdalena Barba.	
	Intermediate Microeconomics course for Professor Nicolas Melissas.	
HONORS AND AWARDS	Social Sciences Fellowship, The University of Chicago	2014 - Present
	National Council for Science and Technology Fellowship, Mexico	2014 - Present
	Merit-based scholarship for M.A., ITAM	2013 - 2014
	Winner of CEMLA's "Economic Research Poster Award":	2013
SKILLS	<i>Languages:</i> Spanish (native), English (fluent), French (conversational).	
	<i>Software:</i> Matlab, Python, Stata, LaTeX.	
EXTRA-CURRICULAR ACTIVITIES	<i>Macrofinance Working Group</i> , UChicago	2018 - Present
	• Started and currently lead a student-run weekly workshop where students present preliminary research in macrofinance, financial intermediation, and banking.	
	<i>Mexicans at UChicago</i> - Member of the Board	2015 - 2017
	• Student organization seeking integration of the Mexican student community across the University and promoting awareness and knowledge about Mexico.	