# ECE ÖZGE EMEKSİZ

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## CURRENT EMPLOYMENT

**Economist(EP)**, *International Monetary Fund*, Washington, D.C. — 2023 Sep–Present

## EDUCATION

**Ph.D. in Economics**, *University of California Davis*, Davis — 2017–2023
**MSc in Economics**, *London School of Economics*, London — 2016–2017
**BA in Economics**, *Salutatorian*, *Koç University*, Turkey — 2011–2016
**BA in Business Administration**, *Valedictorian*, *Koç University* — 2011–2016
**Exchange Student**, *Rice University*, Houston — 2014

## RESEARCH INTERESTS

Macroeconomics, Monetary Economics, Financial Economics

## WORKING PAPERS

**Market Power, Bank Funding and Transmission of Monetary Policy**
**Abstract:** This paper analyzes how bank market power affects monetary policy transmission to bank funding dynamics, lending, and profitability. First, I document variations in banks' exposure to the monetary policy via spreads on deposits, wholesale funding, and lending, and that bank market power is a strong predictor of the degree of exposure. Specifically, I show that after an increase in the policy rate, banks with higher market power adjust their deposit and loan rates relatively less, offsetting the fall in their deposit inflows through cheaper access to wholesale funding. This dampens the effect of contractionary monetary policy on their lending and profitability. That is, I present unified evidence on monetary pass-through to the U.S. commercial banks by comprehensively studying the interactions among the deposit, wholesale funding, and credit markets which is missing in the literature. Third, I show that bank market power has implications for monetary policy transmission to the real economy through its impact on bank-level lending. In particular, aggregate lending and employment decrease less in areas served by banks with higher market power following monetary contraction. Finally, I rationalize my empirical findings by building a theoretical model with monopolistic competition where market power generates imperfect pass-through of monetary policy.

**Bank Liquidity and Monetary Policy Pass-Through**
**Abstract:** I provide a new channel of monetary policy-pass-through to bank lending and lending rates, *"bank liquidity channel"*. In particular, I evaluate monetary policy pass-through conditional on bank liquidity using rich bank-level balance sheets and income statement data. I find that after an increase in the policy rate, funding inflows of banks decrease and constrain banks' loan originations. However, banks with less liquid balance sheets reduce their loan supply more due to their liquidity constraints. In particular, these banks start to shrink their balance sheets by reducing their loan originations as they don't have enough buffer stock liquidity to deplete when they face an adverse shock. Second, I document that banks with less liquid balance sheets increase their loan rates more than other banks following a monetary contraction. Lastly, I build a theoretical model with heterogeneous banks that explains the underlying mechanism. In the model, bank liquidity constraints combined with monopolistic competition impose frictions on monetary policy pass-through to bank lending rates, where there is no deposit rate dispersion among banks based on their liquidity position.

**The Effect of Monetary Policy on Bank Equity Valuations: How the Transmission Mechanism Has Evolved During the ZLB?**

**Abstract:** I studied the effects of monetary policy on stock prices of U.S. bank holding companies and examine whether the transmission mechanism has differed during the zero lower bound environment. Using high-frequency monetary policy surprises, I show that the effect of monetary policy through its impact on overall economic conditions and banks' balance sheet performance out-weights its impact on net interest margins. Bank stock prices decrease significantly after contractionary federal funds rate and forward guidance shocks due to the negative effect of higher discount rates, weak financial conditions, and the increase in loan loss provisions. However, they are positively affected by the large-scale asset purchases that decrease the long-term yields. The expected improvement in the economic conditions and banks' balance sheet performance counterbalances the adverse effects of lower rates that may stem from the compressed net interest margins. Focusing on the role of the repricing maturity gap between banks' assets and liabilities, I show that stock prices of banks that have long-term assets with longer repricing periods compared to their liabilities are less negatively affected by contractionary monetary shocks. Hence, a higher maturity gap partially offsets the negative effect of contractionary policies on banks' stock prices by increasing the expected net interest margins. Yet, this mechanism ceased to exist during the ZLB period indicating a limitation to unconventional monetary policy.

## ACCEPTED PROJECTS

**The effect of Dollar Debt on the Transmission of Foreign Monetary Policy to Turkish Firms.-*project accepted by Ministry of Industry and Technology of Turkey***

## PRE-DOCTORAL WORK

**The Impact of Inflation Surprises on Financial Markets: Does Efficient Market Hypothesis Hold?-*Master Dissertation, (Advisor: Professor Ricardo Reis)***

**Abstract:** The efficient market hypothesis suggests that market participants use all information effectively and react to the expected part of announcements prior to any official release. Hence, markets should respond only to the surprise component of inflation following the inflation release. This study uses the Central Bank of the Republic of Turkey's survey of expectations to measure inflation expectations and investigate the effectiveness of the efficient market hypothesis. The findings of this paper document that there is substantial disagreement among both consumers and professional economists about expected future inflation. Consumers and professional economists make persistent forecast errors while forming their expectations on the year-on-year inflation rate. That is, inflation expectations deviate from full rationality. Second, the efficient market hypothesis is ineffective in Turkey's stock and bond markets as both the stock and bond markets are irresponsive to anticipated and unanticipated parts of inflation. In particular, the overall uncertainty and volatility in financial markets surpass the significance of inflation announcements.

## TEACHING EXPERIENCES

**Teaching Assistant**, *Department of Economics*, UC Davis 2017–Present
ECN 1A-Introduction to Macroeconomics (x4)
ECN 101A-Intermediate Macroeconomics (x6)
ECN 160B-International Macroeconomics
ECN 134-Financial Economics (x2)
ECN 135-Money and Banking
ECN 136-Topics in Macroeconomics
ECN137-Macroeconomic Policy
**Teaching Assistant**, *Department of Economics*, Koç University 2014–2016
ECN 201-Introduction to Macroeconomics

## OTHER EXPERIENCES

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| **Intern**, *Strategic Planning*, The Coca-Cola Company, Turkey | 2015–2016 |
| **Student Mentor**, *Economics Department*, Koç University, Turkey | 2013–2014 |
| **Intern**, *Economics Department*, Milliyet Newspaper, Turkey | Summer 2013 |
| **Intern**, *Finance Department*, Istanbul Gold Refinery, Turkey | Summer 2012 |

## AWARDS AND FELLOWSHIPS

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|---|---|
| **Graduate Fellowship**, UC Davis | 2017–2023 |
| **Non-Resident Student Fellowship**, UC Davis | 2017–2020 |
| **Graduate Research Funding Award**, UC Davis | 2021 |
| **Top Ranking Student Award**, *Business Administration*, Koç University | 2016 |
| **Second Ranking Student Award**, *Economics*, Koç University | 2016 |
| **Global Exchange Scholarship**, Koç University | 2014 |
| **Full-Merit Undergraduate Scholarship**, Koç University | 2011–2016 |

## SEMINARS ATTENDED

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| **Macro/International Brownbag**, *UC Davis* | 2017–2022 |
| **Macro/International Economics Seminar Series**, *UC Davis* | 2017–2022 |
| **Female Economists Mentoring Workshop**, *Stanford University* | 2019 |
| **Monetary Policy and Heterogeneity Conference**, *FED*, Remote | 2020 |

## PRESENTATIONS

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|---|---|
| **Bank of England Macroeconomics Seminar Series**, *Bank of England* | 2023 |
| **Bank of Spain Macroeconomics Seminar Series**, *Bank of Spain* | 2023 |
| **Koç University Economics Seminar Series**, *Koç University* | 2023 |
| **TED University Economics Seminar Series**, *TED University* | 2023 |
| **Sabancı University Finance Seminar Series**, *Sabancı University* | 2023 |
| **Macro/International Brownbag**, *UC Davis* | 2021 |
| **Macro/International Brownbag (x2)**, *UC Davis* | 2022 |

## COMPUTER SKILLS

Stata, R, MATLAB, LaTeX, Microsoft Office, Nielsen NITRO

## LANGUAGES

Turkish (Native), English (Fluent), German (Beginner)

## REFERENCES

**Professor Alan M. Taylor**
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Department of Economics
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**Assoc. Prof. James Cloyne**
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