

Kerry Yang Siani

Department of Finance and Economics
Columbia Business School
Uris Hall, 3022 Broadway
New York, NY 10027

Phone: (401) 932-6108
Email: kerryyangsiani@gmail.com
Website: www.kerryyangsiani.com

Education

Ph.D. Candidate, Finance and Economics, **Columbia Business School**

Thesis Title: "Raising Bond Capital in Segmented Markets"
Expected completion date: May 2022

MBA, *Distinction*, **Harvard Business School**, 2016

MPA-ID, **Harvard Kennedy School of Government**, 2016

B.A., *cum laude*, Economics, **Harvard University**, 2011

Research Interests

Credit markets, securities issuance, monetary policy, financial intermediation

Working Papers

"Raising Bond Capital in Segmented Markets", *Job market paper*

The cost of bond capital that firms face is determined at issuance, and often exceeds yields trading in secondary bond markets. I find that the difference between yields at issuance and in secondary markets, the "issuance premium", spikes in bad times, increasing firms' costs of capital. This suggests that the economics of the relatively understudied primary bond markets -- where firms sell new bonds via underwriters to investors -- are important for understanding firms' costs of capital and access to credit over the cycle. Leveraging new bond-level data, I estimate a model of primary markets with imperfectly elastic investors and endogenous firms' supply of bonds that explains the impact of issuance premium on bond issuance. Using high-frequency variation in bond supply as an instrument, I find that investors are more sensitive to issuance premiums than the remainder of credit spreads. As issuance premiums rise in bad times, the share of more price-elastic short-term investors endogenously increases, supporting bond volumes. The preferences of primary market investors therefore directly affect the transmission of shocks to firms' costs of capital and bond issuance volume, as well as the price impacts of corporate bond purchase policies.

"Bond Market Stimulus: Firm-Level Evidence from 2020-21", *joint work with Olivier Darmouni*

Formerly titled "Crowding-Out Bank Loans: Liquidity-Driven Bond Issuance."

Appears in COVID Economics, Issue 51, October 2020, [WSJ](#), [VoxEU](#)

Using micro-data on corporate balance sheets, we study firm behavior after the unprecedented policy support to corporate bond markets in 2020. As bond yields fell, firms issued bonds to accumulate large and persistent amounts of liquid assets instead of investing. Conceptually, the benefits depend on how highly bond issuers valued this liquidity at the margin. We show they generally had access to bank liquidity that they chose not to use: many issuers left their credit lines untouched, while others used bonds to repay existing loans. Moreover, equity payouts remained high: almost half of issuers still repurchased shares in Spring 2020.

"Global Demand Spillovers in Corporate Bond Issuance"

Winner of Best 3rd Year Paper Award, Columbia Business School, Chazen Research Grant 2020

Using novel data and a difference-in-differences strategy, I find that central bank corporate bond purchases spill over to foreign jurisdictions through bond underwriting networks. The diff-in-diff exploits the European Central Bank's 2016 corporate sector purchase program. I compare U.S. firms connected to underwriters with more or less Eurozone clients. Firms connected with banks with more European clients had larger orderbooks and issued more at lower costs. Treated firms do not increase real investment, but rather increase equity payouts. I identify bond

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underwriting networks as a novel channel through which demand shocks spread across borders. These results matter for understanding the overall impact of corporate quantitative easing programs.

Publications

Darmouni, Olivier and Kerry Siani. "Corporate Bond Issuance and Bank Lending in the United States", *European Economy: Banks, Regulation, and the Real Sector - Banking and Covid*, 2021. April 2021.

Jiang, Wei and Kerry Yang. "Reclassification at Facebook (2016-2017)." *Columbia CaseWorks*, Case ID: 180310, Spring 2018.

Comin, Diego A., J. Gunnar Trumbull, and Kerry Yang. "'Fraunhofer: Innovation in Germany.'" *Harvard Business School Case 711-022*, March 2011. (Revised March 2012.)

Comin, Diego A., J. Gunnar Trumbull, and Kerry Yang. "Fraunhofer: Five Significant Innovations." *Harvard Business School Supplement 711-058*, March 2011.

Presentations

2022: Wisconsin-Madison, OSU Fisher, Northwestern Kellogg, Wash U Olin, Princeton Economics, Boston College, Yale SOM, University of Washington Foster, Northeastern, NYU Stern, MIT Sloan, Duke Fuqua, Chicago Booth, the Federal Reserve Board, Dartmouth Tuck, SFS Cavalcade

2021: Columbia Business School, the Federal Reserve Bank of New York, Texas Finance Festival*, NBER Summer Institute Monetary Economics*, FIRS, Barcelona GSE Summer Forum, Midwest Finance Association, Southwest Finance Association

2020: Econometric Society Winter Meetings, European Finance Association Annual Meetings, American Finance Association PhD Poster Session, Northern Finance Association Conference PhD Symposium, Columbia Business School

Research and Teaching Experience

Summer 2021 **Federal Reserve Bank of New York** - CSWEP Dissertation Fellow

At Columbia University

2019 – 2022 TA for Professor Xavier Giroud – Financial Econometrics – Panel Data, PhD
2019 – 2021 TA for Professor Giorgia Piacentino – Financial Intermediation Theory, PhD
2017 – 2021 TA for Profs. Jonah Rockoff, Amit Khandelwal, Cailin Slattery – Managerial Economics, MBA
2017 – 2020 RA for Professor Wei Jiang
2016 – 2017 TA for Professor Stephen Zeldes - FinTech – Consumer Financial Services, MBA

At Harvard University

2016 RA for Professors Laura Alfaro and Diego Comin
2015-2016 Review Session Leader and Tutor for Business, Government and International Economics, MBA
2015-2016 Tutor for Finance Theory II, MBA
2008-2011 RA for Professor Diego Comin
2010 CA for CS50 – Introduction to Computer Science, Undergraduate

Awards

AQR Top Finance Graduate Award, 2022

Chazen Research Grant, Columbia Business School, 2020

Paul and Sandra Montrone Doctoral Fellowship, Columbia Business School, 2020

Best 3rd Year Paper Award, Columbia Business School, 2019

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Paul and Sandra Montrone Doctoral Fellowship, Columbia Business School, 2019

Provost's Diversity Fellowship, Columbia Business School, 2016

Columbia Business School PhD Fellowship, 2016-present

Harvard Business School Fellowship, 2014-2016

Harvard Business School Social Enterprise Fellowship, 2014

Harvard Kennedy School Rubenstein Fellowship, 2013-2014

Fung Foundation Scholarship, 2008

Other Work Experience

Summer 2015	McKinsey & Company Summer Associate	Hong Kong, China
Summer 2014	Acumen Fund Summer Portfolio Associate	Accra, Ghana
2011-2013	Morgan Stanley & Co. LLC Analyst, Debt Capital Markets, Investment Banking Division	New York, NY

Languages and Computer Skills

Programming: Python, Matlab, and Stata

Languages: English (native) and Mandarin (fluent)

Other

Nonprofit board member: IMAGO Global Grassroots (2017 – present)

Married, one son (born 2021)