

Kerry Yang Siani

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Education

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

Thesis Title: “Raising Bond Capital in Segmented Markets”
Expected completion date: June 2022

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

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

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

Placement Director: Professor Stijn Van Nieuwerburgh, svnieuwe@gsb.columbia.edu, 212-854-5553

Personal Information: U.S. citizen

Supervisors and references:

Charles Calomiris
Columbia Business School
cc374@gsb.columbia.edu

Olivier Darmouni (Sponsor)
Columbia Business School
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Wei Jiang (Chair)
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Yiming Ma
Columbia Business School
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Giorgia Piacentino
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Jesse Schreger
Columbia Business School
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Research Interests

Corporate bonds, credit markets, securities issuance, monetary policy, financial intermediation

Job Market Paper

“Raising Bond Capital in Segmented Markets”

Presented at Columbia Business School Finance Seminar, Columbia Financial Economics Colloquium

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 data on bond issuance, I estimate a model of primary markets that explains the issuance premium and its impact on bond issuance volume. Using high-frequency variation in bond supply as an instrument, I find that short-term investors are more sensitive to issuance premiums than long-term investors. As issuance premiums rise in bad times, the share of short-term investors endogenously increases, supporting bond volumes. The composition of primary market investors therefore directly affects the transmission of shocks to firms' costs of capital and bond issuance volume, as well as the price impacts of corporate bond purchase policies.

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Working Papers

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

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

Invited for dual submission to the Review of Financial Studies via the Texas Finance Festival

Appears in COVID Economics, Issue 51, October 2020, WSJ, VoxEU. Presented at Texas Finance Festival 2021, NBER Summer Institute Monetary Economics 2021*, FIRS 2021, Barcelona GSE Summer Forum 2021, Columbia Business School Faculty Seminar*, Midwest Finance Association 2021, Southwest Finance Association 2021, Econometric Society Winter Meetings 2020*

Using micro-data on corporate balance sheets, we study firm behavior in the wake of the unprecedented policy support to the corporate bond market in 2020. As bond yields fell, firms issued bonds to accumulate large amounts of liquid assets that persisted through early 2021. However, these firms generally had access to bank liquidity that they chose not to use: many issuers left their bank credit lines untouched, while others used bond proceeds to repay existing bank loans. Moreover, equity payouts remained high, with over 40% of issuers still repurchasing shares after March 2020. This evidence highlights the value of studying firms' balance sheets, beyond the market rebound, to better understand potential real effects of bond purchases and inform the micro-foundations of macroeconomic models.

“Global Demand Spillovers in Corporate Bond Issuance”

Presented at the 47th European Finance Association (EFA) Annual Meetings 2020, American Finance Association (AFA) 2020 PhD Poster Session, Northern Finance Association (NFA) Conference PhD Symposium 2020, Columbia Business School PhD Seminar, Southwest Finance Association 2021

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 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.

Research and Teaching Experience

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

At Columbia University

2019 – 2021 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

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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

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

Awards

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
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

Conference Presentations (an asterisk indicates a presentation by a co-author)

Texas Finance Festival 2021*
NBER Summer Institute – Monetary Economics 2021*
Barcelona GSE Summer Forum 2021
Financial Intermediation Research Society (FIRS) 2021
Southwest Finance Association 2021
Midwest Finance Association 2021
Econometric Society Winter Meetings 2020
Northern Finance Association Conference 2020 (Panelist)
European Finance Association Annual Meeting 2020
American Finance Association 2020 (Poster)

Languages and Computer Skills

Kerry Yang Siani

Programming: Python, Matlab, and Stata

Languages: English (native) and Mandarin (fluent)

Other

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