

# CATERINA FORTI GRAZZINI

DIW Berlin  
Macroeconomic Department  
Mohrenstrasse 58  
10117 Berlin, Germany

[cfortigrazzini@diw.de](mailto:cfortigrazzini@diw.de)  
[sites.google.com/view/caterinafortigrazzini](https://sites.google.com/view/caterinafortigrazzini)  
Phone: +49 30 89789-427  
Nationality: Italian

**INTERESTS** Applied Macroeconomics, Monetary Policy, Financial Markets and Household Finance

**EDUCATION**

<b>Ph.D. Candidate</b>	2013-Present
DIW Berlin and Freie Universität, Berlin Supervisor: Prof Dr Dieter Nautz	
<b>M.Sc. in Economics</b>	2009-2012
Bocconi University, Milan Supervisor: Prof Massimo Guidolin	
<b>B.Sc. in Economics</b>	2005-2008
Bocconi University, Milan Supervisor: Prof Marco Cattini	

## WORK IN PROGRESS

### **Unconventional monetary policy and households' financial portfolio choices** (Job Market Paper)

*Abstract:* I use survey data on Italian households' financial portfolios to examine how the unconventional monetary policies (UMPs) implemented by the European Central Bank (ECB) affect households' asset allocation choices. I first disentangle any household change in financial wealth into its active saving component (rebalancing) and its passive saving component (capital gains) using financial indexes. Then, I estimate the impact of unconventional measures on portfolio rebalancing decisions focusing on two asset categories, Italian government bonds and risky assets (equity, corporate bonds and mutual funds). The empirical analysis finds that ECB's actions exerted a substantial effect on the size and composition of households' financial portfolios, inducing a pro-cyclical, positive investment into both government bonds and risky assets, although only for households at the top of the income distribution. Thus, the results illustrate how, consistent with the confidence channel of unconventional monetary policy, ECB's unconventional tools since 2007 have contributed to restoring households' confidence in the financial system, reviving the appetite for some of the financial segments mostly hit by the crisis.

### **Interest Rates and Exchange Rates in Normal and Crisis Times** (with Malte Rieth)

*Abstract:* The paper studies the structural relation between interest rates and the US-dollar/euro exchange rate during normal and crisis times. Exploiting the heteroscedasticity in the data for identification, we find that US interest rate shocks significantly appreciate the US-dollar in normal times, but have no effect during the global financial crisis. In contrast, the impact of euro area interest rate shocks on the exchange rate increases during the European crisis, relative to normal times. These patterns are consistent with a safe-haven-channel that attenuates or accentuates the traditional interest rate channel in exchange rate determination, depending on whether a country is safer or riskier than the other.

**The role of industrial diversity in banking sector resilience** (with Christopher Baum and Dorothea Schäfer)

*Abstract:* This paper analyses the relationship between banking sector diversity and bank risk. Using a large bank-level unbalanced panel and constructing two different measures of structural diversity we show that diversification in the banking sector has a large and positive impact on bank stability. We also find that the positive relationship between bank diversity and bank stability is stronger in times of crisis, providing evidence that banking sector diversity can help absorbing both financial and real shocks. Our results are economically meaningful and can offer important insights to the current economic-policy debate on how to shape a new banking sector architecture.

**PUBLISHED PAPERS**      [Forecasting yield spreads under crisis-induced multiple breakpoints](#) (with M. Guidolin), Applied Economics Letters, Volume 20, 2013 - Issue 18

**POLICY PUBLICATIONS**      [“Quantitative Easing - What Are the Side Effects on Income and Wealth Distribution: In-Depth Analysis”](#) (joint with Kerstin Bernoth, Phillipp König and Benjamin Beckers), Diw Berlin Politikberatung kompakt 99, June 2015.

**EXPERIENCE**

<b>Research Associate</b> Macroeconomic Department DIW Berlin	2018-Present
<b>ECB Summer Graduate Program</b> Research Department, FIR European Central Bank, Frankfurt Supervisor: Angela Maddaloni, PhD	June-Aug 2016
<b>Teaching Assistant</b> Department of Economics Hertie School of Governance, Berlin Chair: Prof. Dr. Kerstin Bernoth	Feb-May 2015
<b>Fund Internship Program</b> Finance Department International Monetary Fund, Washington DC Supervisor: Burcu Hacibedel, PhD	July-Oct 2014
<b>Junior Researcher</b> Investment Advisory Pictet Asset Management, Milan	June 2012-June 2013
<b>Trainee</b> Bureau of an Italian MEP European Parliament, Bruxelles	Nov 2008-April 2009

**CONFERENCES**

**2019:** AEA 2019 Annual Meeting, Atlanta (scheduled)

**2018:** DIW PhD Internal Seminar, Berlin; DIW Macro Internal Seminar, Berlin; FU Seminar in Empirical Macroeconomics, Berlin; RES Symposium 2018, Brighton; Workshop in Econometrics, Tornow; SSES 2018, St Gallen; IAAE 2018, Montreal; EEA-ESEM 2018, Cologne; SAEe 2018, Madrid (scheduled).

**2017:** DIW Berlin, Internal Seminar, Berlin; DIW Berlin, Summer Workshop, Potsdam; EEA meeting, Lisbon; WinE retreat, Lisbon; Verein für Socialpolitik, Annual Conference, Vienna; Freie University Macroeconomic Seminar, Berlin.

**2016:** DIW Berlin, PhD internal Seminar, Berlin.

**2015:** DIW Berlin, PhD internal Seminar, Berlin, DIW Berlin, Summer Workshop, Potsdam, DIW Berlin, DIW Macro Internal Seminar, Berlin.

**2014:** IMF, Finance Department Seminar.

<b>GRANTS &amp; SCHOLARSHIPS</b>	<b>Conference Grant</b>	2018
	Spanish Economic Association	
	<b>Travel Grant</b>	2018
	International Association for applied Econometrics	
	<b>Conference Grant</b>	2017
	Verein für Socialpolitik	
	<b>Research Grant</b>	2018-2019
	Wissenschaftsförderung der Sparkassen-Finanzgruppe	
	Joint with Dorothea Schäfer, EUR 45K	
	Project Title: Banking Sector Diversity: Does it matter for banking sector stability?	
	<b>Ph.D. Scholarship</b>	2013-2017
	DIW Berlin Graduate Center	

**LANGUAGES &  
IT SKILLS**    **Languages:** Italian (native), English (fluent), French (good), German (beginner)  
**IT:** STATA, R, L<sup>A</sup>T<sub>E</sub>X, Bloomberg, Datastream, Microsoft Office

**REFEREES**

**Professor Dieter Nautz**  
Department of Economics  
Free University, Berlin  
Email: dieter.nautz@fu-berlin.de  
Phone: +49 30 83851399

**Professor Marcel Fratzscher**  
President of DIW Berlin  
Professor, Humboldt University  
Email: mfratzscher@diw.de  
Phone: +49 30 89789311

**Professor Alexander Kriwoluzky**  
Head of Macro Dpt, DIW Berlin  
Professor, Uni Halle  
Email: akriwoluzky@diw.de  
Phone: +49 30 89789430

**Professor Dorothea Schäfer**  
Research Director Fin. Markets, DIW Berlin  
Professor, Jönköping University  
Email: dschaefer@diw.de  
Phone: +49 30 89789162