

# MAXIMILIANO SAN MILLÁN

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## **EDUCATION**

Ph.D. in Economics, Centro de Estudios Monetarios y Financieros (CEMFI), 2019-2023 (*cum laude*)

M. Sc. in Economics and Finance, CEMFI, 2017-2019

Bachelor in Economics, Universidad Nacional de Tucumán (Argentina), 2011-2016 (*cum laude*)

## **DISSERTATION COMMITTEE**

Prof. Javier Suarez (Advisor)

CEMFI

[suarez@cemfi.es](mailto:suarez@cemfi.es)

Prof. Sebastian Fanelli

CEMFI

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Prof. Rafael Repullo

CEMFI

[repullo@cemfi.es](mailto:repullo@cemfi.es)

## **RESEARCH AND TEACHING FIELDS**

Primary field: Banking

Secondary fields: Macroeconomics, Financial Economics.

## **RESEARCH PAPERS**

[\*Sectoral Credit Allocation, Capital Requirements and Financial Stability\*](#) (Job Market Paper)

Banking crises are often preceded by large expansions in residential real estate credit. However, banks' prudential regulation imposes typically lower minimum equity-capital funding requirements on residential real estate lending than on corporate lending. This paper quantifies the consequences of regulatory designs that fail to take into account the macroprudential dimension of the growth in real estate lending. I develop a DSGE model in which banks intermediate real estate loans to households and corporate loans to firms and where abnormally high defaults in either of these sectors can make banks fail. Calibrated for the Euro Area, results show that capital requirements based on the default risk of individual exposures amplify the reallocation of credit towards the real estate sector in the path to banking crises. Distortions to the allocation of credit in the path to crises, as well as the frequency and severity of banking crises, can be better mitigated by sector-specific macroprudential buffers than by generic buffers such as the Countercyclical Capital Buffer (CCyB) of Basel III.

## *Optimal Capital Requirements with Cross Border Banking*

This paper studies the welfare implications of changes in regulatory capital requirements in the presence of cross border banking activities. Using a two-country DSGE model with financial frictions, calibrated to match the characteristics of international credit in synthetic Core and Periphery countries in the Euro Area, this paper analyzes the optimal level of Basel-type capital requirements set on corporate loans. Results show that: a) a uniform increase in the level of capital requirements can be welfare improving for both countries, with Core countries preferring lower levels of capital requirements; b) if capital requirements are set in each country separately, it is optimal to impose higher capital requirements for exposures in the Periphery, and c) penalizing the cross border activities of banks with higher capital requirements, even if international loans are more volatile than their domestic counterparts is not, in general, welfare improving.

### **CURRENT POSITION**

2023- Senior Economist, Financial Studies Division, Central Bank Of Chile.

### **TEACHING EXPERIENCE**

2020 Teaching Assistant for Prof. Dante Amengual, CEMFI, Mathematics (graduate level).

2020 Teaching Assistant for Prof. Sebastian Fanelli, CEMFI, International Finance (graduate level).

2019 Teaching Assistant for Prof. Dante Amengual, CEMFI, Mathematics (graduate level).

### **OTHER ACADEMIC EXPERIENCE**

2021 Visiting doctoral student at the Finance Department, Amsterdam Business School.

### **OTHER PREVIOUS POSITIONS**

2019-2022 Research Assistant for Prof. Enrique Sentana (Time Series Econometrics), CEMFI.

2016 Junior Analyst at the Electric Market Authority, Salta, Argentina.

2015-2016 Internship at Ministry of Production, Tucuman, Argentina.

### **SCHOLARSHIPS AND AWARDS**

2019-2023 FPI Scholarship from the Spanish Ministry of Science.

2017-2019 Fundación Carolina Scholarship.

2015 First place - Annual Prize of Economic Research (joint with Mariana Kestelman) - Fundación Banco Municipal de Rosario, Argentina.

### **PROGRAMMING SKILLS**

Matlab, Stata, R,  $\LaTeX$ , Julia.

### **LANGUAGES**

Spanish (native), English (fluent, C2), German (basic, B1).

**CITIZENSHIP**

Argentine, Spanish.