

# Federal Reserve Bank of New York Research and Statistics Group



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## Research Associate Opportunities

for College Graduates  
2010/2011



It's a great experience working in the Macroeconomic and Monetary Studies Function. As an RA, you have a unique opportunity to be in an academic environment while playing an integral role in solving real-world problems: I like the collegial atmosphere and focus on independence that the former gives you and the intellectual challenges that the latter presents. Working closely with the economists, you'll learn, among many things, to analyze and interpret economic indicators, to use different programming and statistical software, and, most importantly, how to approach a research problem. The skill set I've acquired as an RA will be invaluable for graduate school and my career.

—**Sophia Gilbukh**

Macroeconomic and Monetary Studies

## What Is the Focus of the Research Group?

*The Research Group offers a broad range of opportunities for bachelor's degree candidates with a strong background in economics, mathematics, and statistics. Each of the Group's six areas conducts policy-oriented analysis and long-term research projects.*

### Capital Markets

**FOCUS:** asset pricing, financial institutions, market liquidity, and the interaction between markets, institutions, and economic fundamentals

**RESEARCH TOPICS:** links between financial markets and the macroeconomy; estimation of risk premia in stock, bond, and derivatives markets; interaction between financial institutions' balance sheets and risk premia; financial market stress and the Federal Reserve's lending facilities

### Financial Intermediation

**FOCUS:** behavior, stability, and regulation of banks and other financial institutions; interactions between the financial system, financial markets, and the real economy

**RESEARCH TOPICS:** financial crises; banks and the real economy; financial innovation; risk management and measurement; financial system regulation and capital requirements; corporate finance and corporate governance; securitization; global banking; household finance and mortgages; restructuring and resolution of failed institutions

### International Research

**FOCUS:** international trade, finance, and macroeconomic issues

**RESEARCH TOPICS:** global banks and international transmission; financial crises and trade performance; capital flows and risk sharing among and within countries; fiscal and monetary policy spillovers; exchange rate effects on prices, labor markets, and investment; forecasting exchange rates and commodity prices; international role of the U.S. dollar

## Macroeconomic and Monetary Studies

**FOCUS:** monetary policy, national economic conditions, and macroeconomic research

**RESEARCH TOPICS:** monetary policy transmission; monetary policy and the zero bound; monetary policy and learning; sources of inflation dynamics; changes in the inflation-unemployment relationship; goods and services price inflation; the relationships between inflation expectation, forecast dispersion, and uncertainty; methods of determining trend and cyclical productivity growth; changes in inventory dynamics and business cycles; the yield curve and recessions; forecasting using large macroeconomic panels; labor market dynamics; analysis of recent housing price trends; tax changes and consumer spending; DSGE model estimation and forecasting; financial frictions, liquidity, and the macroeconomy

## Microeconomic and Regional Studies

**FOCUS:** theoretical and applied areas of microeconomics and regional economics

**RESEARCH TOPICS:** analysis of household balance sheets and consumer credit; household inflation expectations and their links to economic behavior; formation and updating of subjective expectations; empirical analysis of models with multiple equilibria; skill and locational mismatch in the labor market; design of educational reforms and their impact on student performance; empirical analysis of auctions; development of regional activity indexes; informational content of regional business surveys; land markets in U.S. metropolitan areas; fiscal interactions within U.S. metropolitan areas; regional infrastructure and development; sources of change in U.S. income distribution; evaluation of tax and labor market reforms

## Money and Payments Studies

**FOCUS:** domestic and global payments and settlement systems and short-term money markets

**RESEARCH TOPICS:** design and evaluation of Federal Reserve lending facilities; bank behavior in short-term funding markets; discount window policy; payments system design; risks in the operation of payments markets and systems; securities settlement systems across countries; implementation of monetary policy



As an RA in the Microeconomic and Regional Studies Function, I'm exposed to a wide array of research and policy projects. From analyzing the effects of the recession on the labor market to constructing an index that gauges the current state of the New York–New Jersey economy, I'm able to contribute my talents to important work as well as develop skills that will be essential for graduate school. The academic nature of the job gives me the opportunity to attend lectures, learn about economic theory, and even coauthor academic papers. The Research Group fosters a collegial environment where I have developed close relationships with fellow RAs and economists.

—Joseph Song  
Microeconomic and Regional Studies

# What Does a Research Associate Do?

*Research Associates have two primary responsibilities:*

- Assisting economists in the analysis of current public policy issues and events

RAs help economists conduct current analysis and other short-term research on monetary policy, bank regulation, payments systems, financial markets, and the state of the U.S. and global economies. Current analysis often culminates in reports or presentations to the Bank's president and senior management.

- Assisting economists in long-term, academically oriented research projects

RAs help economists plan and execute long-term research on a wide range of applied and theoretical topics. Many RAs have the opportunity to coauthor scholarly articles with the economists.

*Some day-to-day activities include:*

- Conducting econometric, computational, and analytical research intended for Bank publications as well as academic journals
- Programming in statistical packages, such as SAS, STATA, MATLAB, and GAUSS
- Running financial, banking, macroeconomic, and international forecasting models
- Reviewing and organizing economic and financial data
- Compiling and assessing information from academic journals, market sources, and government reports
- Writing or assisting with reports and presentations on current economic and financial conditions and policy issues
- Developing spreadsheet/web macros and programs to enhance data manipulation and analysis
- Preparing background materials for and assisting in the formulation of senior management briefings.



Capital Markets RAs are given extraordinary flexibility with their projects, and I'm very pleased with the work I'm doing here. The economists are not only excellent teachers, they're open to input and they encourage me to pursue my own ideas. In the past year, I've gained a much deeper understanding of capital markets. I've learned how to program, and I'm now a whiz at Excel. I've explored theoretical and technical frontiers of asset pricing and helped analyze the volatile behavior of the capital markets since the 2008 financial crisis. But perhaps more importantly, I've grown comfortable formulating testable economic questions about the issues that interest me. The Research Group is filled with bright and curious people, and it's a blast working with them.

—**Ariel Zucker**  
Capital Markets

For a student of economics, I can't imagine a better environment in which to continue one's education than the New York Fed's Research Group. RAs here enjoy the experience of working on long-term academic research and highly relevant policy projects that investigate as well as shape the way today's markets function. For example, I've worked on a paper that examines the impact of the financial crisis on the federal funds market, which is the primary market the Fed uses to implement monetary policy. By collaborating with economists, other RAs, and market participants, we acquire technical skills and institutional knowledge that will be invaluable to careers in academia or the public or private sector.

—**Andrew Howland**  
Money and Payments Studies



## What Are Some Advantages of Working Here?

### Near-term benefits

*Research Associates enjoy the benefits of*

- Interaction with leading economists and analysts on key policy and research issues
- Eligibility for tuition reimbursement for individual courses, certificate programs, and graduate programs
- Access to resources designed to build business, computer, and writing skills

### Long-term gains

Research Associates have gone on to enter prestigious academic programs, receive National Science Foundation and other highly regarded grants, and accept challenging positions in business and banking.

*Career steps taken by former RAs include:*

#### **PH.D. PROGRAMS IN ECONOMICS AND/OR FINANCE**

Berkeley, Brown, Cal Tech, Chicago, Columbia, Cornell, Harvard, Michigan, Minnesota, MIT, Northwestern, NYU, Penn, Princeton, Rochester, Stanford, UCLA, Wisconsin, Yale

#### **MASTER'S PROGRAMS IN PUBLIC POLICY**

Berkeley, Chicago, Columbia, Harvard, Princeton, Yale

#### **MASTER'S PROGRAMS IN BUSINESS ADMINISTRATION**

Chicago, Columbia, Harvard, MIT Sloan, NYU Stern, Stanford, Wharton

#### **FEDERAL RESERVE BANK OF NEW YORK**

Bank Supervision; Chief of Staff's Office; Credit, Investment, and Payment Risk; Emerging Markets; Markets Group

#### **BUSINESS**

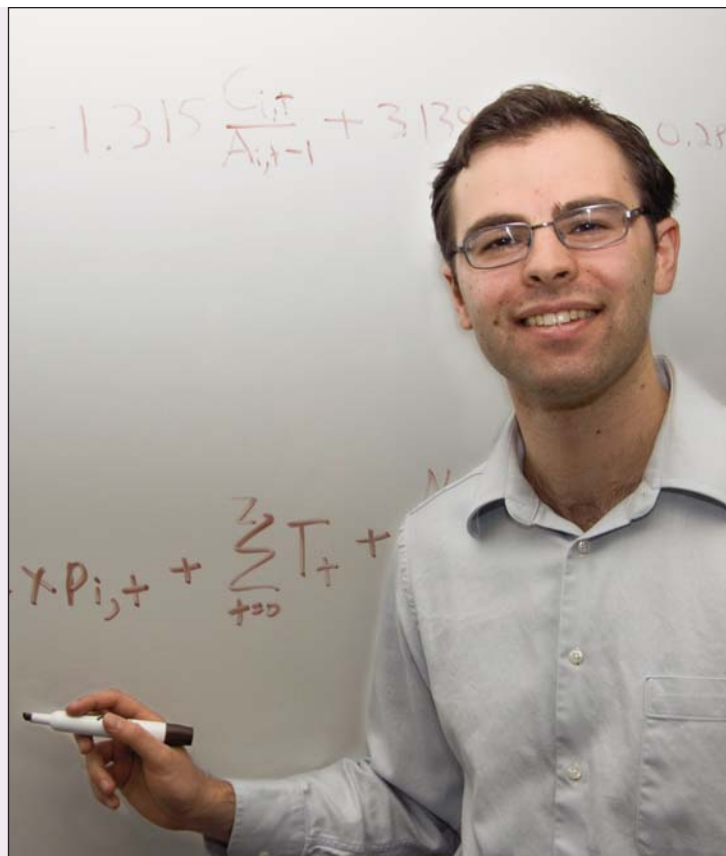
American Express, Cantor Fitzgerald, Goldman Sachs, ISI Group, Morgan Stanley, NERA Economic Consulting, Standard and Poor's

#### **LAW AND PUBLIC SERVICE**

Berkeley, Columbia, Harvard, Michigan, NYU, Yale, IMF, Peace Corps

One of the best aspects of working in the Research Group is its culture of intellectual curiosity and learning, as befits a workplace that's a mix of academia and the financial sector. As an RA in the Financial Intermediation Function, I've worked closely with economists on projects ranging from analyzing the monitoring role of investment banks, to studying the relationship between syndicated loans and collateralized loan obligations, to examining bank merger applications from an anti-competitiveness standpoint. These projects have given me an opportunity to build relationships with economists and other RAs, and to hone skills that will be very useful going forward in my career.

—**Vitaly Bord**  
Financial Intermediation



## Publications Coauthored by Research Associates

### Federal Reserve Bank of New York Publications

Armantier, Olivier, **Jeffrey Arnold**, and James McAndrews. 2008. "Changes in the Timing Distribution of Fedwire Funds Transfers." *Economic Policy Review* 14, no. 2 (September): 83-112.

Ashcraft, Adam, **Paul Goldsmith-Pinkham**, and James Vickery. 2010. "MBS Ratings and the Mortgage Credit Boom." *Staff Reports*, no. 449, May.

**Atalay, Enghin**, Antoine Martin, and James McAndrews. 2010. "Quantifying the Benefits of a Liquidity-Saving Mechanism." *Staff Reports*, no. 447, May.

**Atalay, Enghin**, Antoine Martin, and James McAndrews. 2008. "The Welfare Effects of a Liquidity-Saving Mechanism." *Staff Reports*, no. 331, June.

Bartolini, Leonardo, Linda Goldberg, and **Adam Sacarny**. 2008. "How Economic News Moves Markets." *Current Issues in Economics and Finance* 14, no. 6 (August).

Bech, Morten, and **Enghin Atalay**. 2008. "The Topology of the Federal Funds Market." *Staff Reports*, no. 354, November.

Bram, Jason, James Orr, Robert Rich, Rae Rosen, and **Joseph Song**. 2009. "Is the Worst Over? Economic Indexes and the Course of the Recession in New York and New Jersey." *Current Issues in Economics and Finance* 15, no. 5 (September).

Coffey, Niall, Warren Hrung, **Hoai-Luu Nguyen**, and Asani Sarkar. 2009. "The Global Financial Crisis and the Shortage of U.S. Dollars." *Current Issues in Economics and Finance* 15, no. 6 (October).

Goldberg, Linda, **Craig Kennedy**, and Jason Miu. 2010. "Central Bank Dollar Swap Lines and Overseas Dollar Funding Costs." *Staff Reports*, no. 429, January.

Haughwout, Andrew, and **Ebiere Okah**. 2009. "Below the Line: Estimates of Negative Equity among Nonprime Mortgage Borrowers." *Economic Policy Review* 15, no. 1 (July): 31-43.

Haughwout, Andrew, **Ebiere Okah**, and Joseph Tracy. 2009. "Second Chances: Subprime Mortgage Modification and Re-Default." *Staff Reports*, no. 417, December.

Haughwout, Andrew, James Orr, and **David Bedoll**. 2008. "The Price of Land in the New York Metropolitan Area." *Current Issues in Economics and Finance* 14, no. 3 (April-May).

Hellerstein, Rebecca, and **William Ryan**. 2009. "The Determinants of International Flows of U.S. Currency." *Staff Reports*, no. 400, October.

Helwege, Jean, **Samuel Maurer**, Asani Sarkar, and Yuan Wang. 2009. "Credit Default Swap Auctions." *Staff Reports*, no. 372, May.

Kitao, Sagiri, Ayşegül Şahin, and **Joseph Song**. 2010. "Subsidizing Job Creation in the Great Recession." *Staff Reports*, no. 451, May.

Morgan, Donald P., **Benjamin Iverson**, and **Matthew Botsch**. 2008. "Seismic Effects of the Bankruptcy Reform." *Staff Reports*, no. 358, November.

**Okah, Ebiere**, and James Orr. 2010. "Subprime Mortgage Lending in New York City: Prevalence and Performance." *Staff Reports*, no. 432, February.

Rosenberg, Joshua V., and **Samuel Maurer**. 2008. "Signal or Noise? Implications of the Term Premium for Recession Forecasting." *Economic Policy Review* 14, no. 1 (July): 1-11.

Şahin, Ayşegül, **Joseph Song**, and Bart Hobijn. 2010. "The Unemployment Gender Gap during the 2007 Recession." *Current Issues in Economics and Finance* 16, no. 2 (February).

Sarkar, Asani, and **Jeffrey Shrader**. Forthcoming. "Financial Amplification Mechanisms and the Federal Reserve's Supply of Liquidity during the Financial Crisis." *Economic Policy Review*.

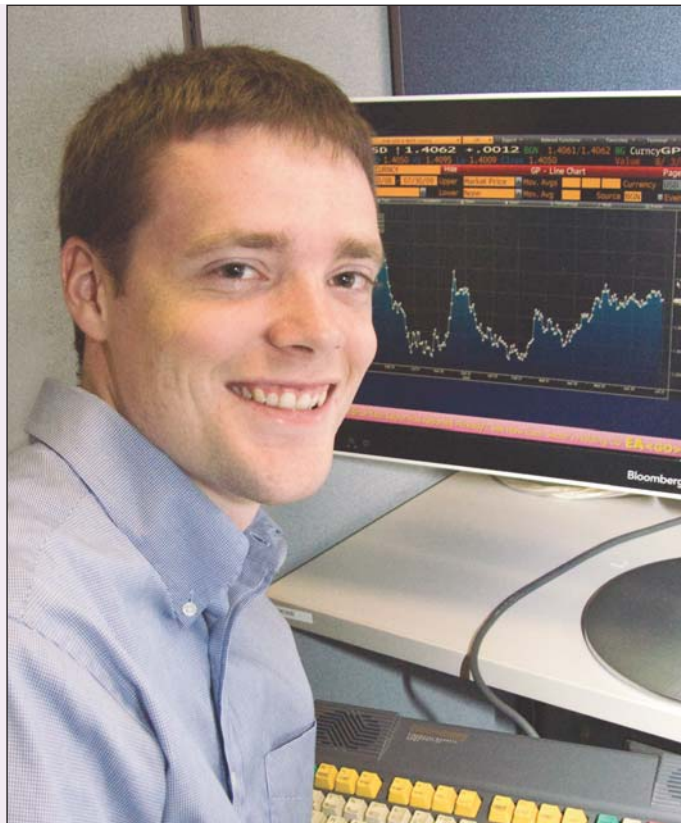
## Academic Journals

**Goldsmith-Pinkham, Paul**, and Tanju Yorulmazer. 2010. "Liquidity, Bank Runs, and Bailouts: Spillover Effects during the Northern Rock Episode." *Journal of Financial Services Research* 37, no. 2 (June): 83-98.

**Hanson, Samuel**, M. Hashem Pesaran, and Til Schuermann. 2008. "Firm Heterogeneity and Credit Risk Diversification." *Journal of Empirical Finance* 15, no. 4 (September): 583-612.

RAs in International Research work closely with economists on academic research and policy-related matters. Policy analysis has been an especially important part of the job recently. RAs have worked on producing a new trade model, creating and maintaining a timeline of global responses to the economic crisis, and conducting research on the international elements of the Federal Reserve credit facilities. It is fascinating to follow current events from the unique vantage point here. The RA position also offers a great opportunity to develop skills that will benefit you in whatever you choose to do afterward—going to graduate school, moving to another area of the Bank, or advancing your career in the private sector.

—**Craig Kennedy**  
International Research



# How Do I Apply?

To apply online for a Research Associate position, visit  
[www.newyorkfed.org/careers](http://www.newyorkfed.org/careers)

The Federal Reserve Bank of New York is an equal opportunity employer.



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Federal Reserve  
Bank of New York

## Benefits at a Glance

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Competitive  
starting salary

Relocation assistance

Flexible work schedule

Matching 401(k) savings  
plan

Commutation assistance

Health, dental,  
and vision insurance

Business-casual  
dress policy

Tuition assistance  
for undergraduate and  
graduate courses