

HESNA GENAY

Federal Reserve Bank of Chicago
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Experience

<i>1989 to present</i>	<i>Federal Reserve Bank of Chicago</i>
<i>2014 to present</i>	<i>Vice President and Monetary and Financial Policy Advisor</i>
<i>2008 to 2014</i>	<i>Senior Economist and Research Advisor</i>
<i>2005 to 2008</i>	<i>Senior Economist</i>
<i>1989 to 2005</i>	<i>Economist</i>

Current responsibilities:

- Provide monetary and regulatory policy analysis and advice to the President of the Federal Reserve Bank of Chicago (“the Bank”) in relation to his role on the Federal Open Market Committee.
- Provide the Board of Directors and members of the Executive Committee analysis of current economic and financial developments and monetary policy, and their implications for operations of the Bank.
- Supervise the maintenance of the confidentiality of FOMC information at the Bank and assist in the coordination of the FOMC efforts of the Research Department.
- Conduct academic level research on issues related to monetary policy, economic activity, and financial institutions and regulations, including:
 - assessing the financial condition and systemic risk of major financial institutions;
 - the interaction between monetary policy goals and financial stability;
 - the impact of Federal Reserve’s policies during the financial crisis on financial markets and the economy;
 - the interaction between financial markets and real activity;
 - international banking markets; and
 - venture capital industry and small business finance.
- Make presentations to businesses, academic audiences, and the general public regarding economic and financial developments and monetary policy.
- Advise the President of the Bank in conjunction with his public outreach activities, including his interactions with the media, and write speeches.

February 2003 to December 2003
Visiting Economist

Emerging Payments and Policy
Federal Reserve Bank of Chicago

- Conducted academic level research on risk management strategies of financial institutions, with a particular emphasis on operational risk;
- Evaluated regulatory proposals regarding operational risk management in banking organizations;
- Developed and presented a module on “The Efficiency of the Federal Reserve’s Payments Operations” for the *Payment System Study Program*, a web-based course offered jointly by the Federal Reserve Bank of Chicago and the Illinois Institute of Technology.

Spring 1997
Adjunct Professor

Loyola University at Chicago
International Financial Management

- Taught undergraduate level course on operations of multinational corporations, exchange rate determination, and balance of payments.

Education

Ph.D., Economics, 1995, University of Rochester

Areas of concentration: international macroeconomics and corporate finance.

Thesis: a collection of four essays comprising "Stock Returns and Exchange Rates," "Sources of Labor Market Fluctuations in Japan," "The Ownership Structure of Japanese Financial Institutions," and "The Financial Characteristics and Profitability of Banks in the Antebellum Capital Markets."

B.A., Economics, 1984, University of Rochester, Cum Laude

Current Research

"Federal Reserve Policies and Financial Market Conditions During the Crisis" with Scott Brave. Federal Reserve Bank of Chicago Working Paper no. 2011-04. May 2011.

"Bank-specific Financial Condition Indexes and Systemic Risk" with Scott Brave and Andrew Butters.

"Bank Leverage and Financial Stability: Implications for Monetary Policy and Macroprudential Policies" with Scott Brave.

Publications

"What is the Impact of a Low Interest Rate Environment on Bank Profitability?" with Richard Podjasek. Federal Reserve Bank of Chicago *FedLetter* no. 324. July 2014.

"The Cyprus Crisis through the Lens of Bank Investors" with Mike Mei. Federal Reserve Bank of Chicago *FedLetter* no. 315. October 2013.

"Why aren't Banks Lending More? The Role of Commercial Real Estate" with Sumit Agarwal. Federal Reserve Bank of Chicago *FedLetter* no. 281. December 2010

"Rising Interest Rates, Bank Loans, and Deposits" with Darrin R. Halcomb. Federal Reserve Bank of Chicago *FedLetter* no. 208, November 2004.

"Banking Relationships During Financial Distress: The Evidence from Japan" with Elijah Brewer III and George G. Kaufman Federal Reserve Bank of Chicago *Economic Perspectives* Third Quarter 2003, pp. 2-18.

"The Value of Banking Relationships During a Financial Crisis: Evidence from Failures of Japanese Banks" with Elijah Brewer III, William Curt Hunter, and George G. Kaufman. 2003. *Journal of Japanese and International Economies* v. 17 (3), pp. 233-262.

"Does the Japanese Stock Market Price Bank Risk: Evidence from Failures of Japanese Financial Institutions," with Elijah Brewer III, William Curt Hunter, and George G. Kaufman. 2003. *Journal of Money, Credit and Banking* v. 35 (4), pp. 507-543.

"Recent Trends in Deposit and Loan Growth: Implications for Small and Large Banks," Federal Reserve Bank of Chicago, *FedLetter* No.160. December 2000.

"The Globalization of Financial Institutions: Evidence from Cross Border Banking Performance," with

Allen N. Berger, Robert DeYoung, and Gregory Udell, in *Brookings-Wharton Papers on Financial Services*, Vol. 3, (2000), Robert E. Litan and Anthony Santomero, eds.

“Japanese Banks and Market Discipline,” Federal Reserve Bank of Chicago, *FedLetter* No. 144. August 1999.

“Assessing the Condition of Japanese banks: How Informative are Accounting Earnings?,” Federal Reserve Bank of Chicago, *Economic Perspectives*, Fourth Quarter 1998, pp. 12-34.

“Labor Market Fluctuations in Japan and the U.S. -- How Similar are They?,” with Prakash Loungani, Federal Reserve Bank of Chicago, *Economic Perspectives*, May/June 1997, pp. 15-28.

“Issues in Funding the Activities of Small Firms through SBICs,” with Elijah Brewer III, William Jackson III, and Paula R. Worthington, 1996, Federal Reserve Bank of Chicago *FedLetter* No. 113. January 1997.

“How are Small Firms Financed? Evidence from Small Business Investment Companies,” with Elijah Brewer III, William Jackson III, and Paula R. Worthington, 1996, Federal Reserve Bank of Chicago, *Economic Perspectives*, November/December 1996, pp. 2-18.

“A Case of Government Subsidies Gone Awry,” with Elijah Brewer III, William Jackson III, and Paula R. Worthington, *Bridge News Opinion Article*, September 30, 1996.

“Performance and Access to Government Guarantees: The Case of Small Business Investment Companies with Elijah Brewer III, William Jackson III, and Paula R. Worthington, 1996, Federal Reserve Bank of Chicago, *Economic Perspectives*, September/October 1996, pp. 16-32.

“Small Business Investment Companies: Financial Characteristics and Investments,” with Elijah Brewer III, 1995, *Journal of Small Business Management*, v. 33, no.3 (July), pp. 38-56.

“Funding Small Businesses through the SBIC Program,” with Elijah Brewer III, Federal Reserve Bank of Chicago *Economic Perspectives*, May/June 1994.

“Japan's Corporate Groups” Federal Reserve Bank of Chicago, *Economic Perspectives*, January/February 1991. Reprinted in: *Advances in Business Financial Management: A Collection of Readings*, Philip L. Cooley (ed.), Fort Worth, TX: The Dryden Press. 1996. pp. 655-669; and *The International Finance Reader*, second edition, Robert W. Kolb (ed.), Miami, Florida: Kolb Publishing Company. 1993. pp. 351-361.

Other Work

“Operational Risk Management Systems for Banks: A Review of Emerging Practices and a Theoretical Analysis of Bank Strategy” with Paul Huck, Gloria Ikosi, Kenneth Swenson, Gözde Yazar. Federal Reserve Bank of Chicago working paper, 2003.

“A Trojan Horse or the Golden Fleece? Small Business Investment Companies and Government Guarantees,” with Elijah Brewer III, William E. Jackson III, and Paula R. Worthington, Federal Reserve Bank of Chicago Working Paper WP-97-22, December 1997.

“The Security Issue Decision: Evidence from Small Business Investment Companies,” with Elijah Brewer

III, William Jackson III, and Paula R. Worthington, Federal Reserve Bank of Chicago Working Paper no 96-27, December 1996.

Professional Activities

- Member of the Program Committee, Conference on Bank Structure and Competition, Federal Reserve Bank of Chicago;
- Former Associate Editor of *Economics Bulletin*;
- Referee for *National Science Foundation*, *Journal of Economic Development*, *Journal of Economics and Business*, *Journal of Money, Credit, and Banking*, *Journal of Japanese and International Economies*, *Journal of Financial Services Research*, *Journal of Financial Stability*, *Review of Financial Studies*, *Global Finance*.