

DANIEL MARCEL TE KAAT

website: <https://sites.google.com/site/danieltekaat/home>

e-mail: dantekaata@uni-osnabrueck.de

cell phone: (0049) 151 - 70828408

Office Contact Information

University of Osnabrück
Rolandstr. 8
49069 Osnabrück (Germany)
phone: (0049) 541 - 969 2772

Doctoral Studies

University of Osnabrück, 2014 to present

Ph.D. Candidate in Economics

Thesis Title: “*Three Essays on International Banking*”

Expected Completion Date: December 2017

Pre-Doctotal Studies

University of Bonn, Master of Science in Economics, 2012-2014, **ranked 2/69**

University of Bonn, Bachelor of Science in Economics, 2009-2012, **ranked 4/141**

Teaching and Research Fields

Primary: Empirical Banking, International Finance, Monetary Policy

Secondary: Applied Econometrics

Research Papers

International Capital Flows and the Allocation of Credit Across Firms (Job Market Paper)

Abstract: Substantial research yields mixed conclusions regarding the effects of international capital flows on economic growth. However, microeconomic channels that help to explain these differences are to date underexplored. This paper uses a novel dataset that covers about 20,000 firm-year observations to study the effects of the exogenous fluctuations in European capital flows on the allocation of credit across firms during 1995-2014. We find that bursts of capital inflows are associated with more loans to the least profitable firms within an industry, thereby reducing economic dynamics in the long-run. Consequently, there is evidence for time-varying implications of foreign capital for economic growth.

Current Account Imbalances and Bank Risk-Taking (with Valeriya Dinger)

Abstract: Financial crises are usually preceded by external deficits. However, the channel through which international capital flows affect financial stability has hardly been identified—yet. In this paper, we study the impact of current account balances on bank risk-taking by using the exogenous and large variation in capital flows within the euro area between 2001 and 2012. We find that bank risk-taking is positively associated with current account deficits. We provide a series of tests that prove this finding by showing that banks in countries with external deficits reduce the average quality of bank loans and increase the share of loans that are typically riskier relative to other assets in their portfolios.

Central Bank Funding and the Dynamics of Bank Lending after the Crisis (with Peter Bednarek, Valeriya Dinger, Natalja von Westernhagen)

Abstract: In this paper, we analyze the effects of the ECB's non-conventional monetary policy on the dynamics of bank lending. Our empirical findings are based on a novel bank-to-firm level dataset combining information on German banks' credit portfolios with bank and firm balance sheet data. We find higher central bank funding to increase bank lending to ex-ante risky firms. This effect is exacerbated by financial institutions without funding shortages that access central bank funding with longer-term maturities, emphasizing the challenges to financial stability arising from the fact that banks take advantage of the central bank's lavish liquidity provision and channel these funds to borrowers which would otherwise have been considered too risky.

International Financial Integration and Funding Risks: Bank-Level Evidence from Latin America (with Luís A.V. Catão and Valeriya Dinger)

Abstract: Using a sample of over 700 banks in Latin America, we show that international financial liberalization lowers bank capital ratios and increases the shares of short-term funding. Following liberalization, large banks substitute interbank borrowing for equity and long-term funding, whereas small banks increase the proportions of retail funding in their liabilities, which have been particularly vulnerable to flight-to-quality during periods of financial distress in much of Latin America. We also find evidence that riskier bank funding in the aftermath of financial liberalizations is exacerbated by asymmetric information, which rises on geographical distance and the opacity of balance sheets.

Research in Progress

Inequality and Growth: Industry-Level Evidence (with Lisardo Erman)

Abstract: Using a comprehensive industry-level dataset that covers 28 industries in 46 countries, we empirically identify the effect of inequality on economic growth via its influence on the supply of human and physical capital. We show that a more unequal income distribution (i) positively affects physical capital intense industries and (ii) adversely impacts industries that are most dependent on human capital. These effects are exacerbated by largely binding credit constraints and are mainly driven by educational investments as well as the quality of financial intermediation.

The Cross-Country Heterogeneity in Commodity Price Pass-Throughs (with Luís A.V. Catão)

Professional Experience

Academia

2016 Summer Intern at the International Monetary Fund, Research Department
2015 to present Visiting Researcher at the Deutsche Bundesbank, Financial Stability Division
2014 to present Research Associate at the University of Osnabrück, Macroeconomic Division

Non-Academia

2013 Intern at the Deutsche Bundesbank, Monetary Policy Division
2011 Intern at KPMG, Corporate Finance Division
2010 Intern at the Australian Climate Institute, Sydney
2010 Intern at the Australian Private Equity and Venture Capital Association Ltd., Sydney
2009 - 2013 Working Student at the Sparkasse KölnBonn, Treasury and Asset Management
2006 - 2009 Bank Apprentice at the Sparkasse KölnBonn

Honors and Grants

2011 Excellence in Teaching Award, University of Bonn
2010 to present E-fellows.net grant
2009 - 2013 Grant of the Sparkasse KölnBonn

Conference Participations

2017 American Economic Association (ASSA meetings), Lunch-Time Seminar at the University of Osnabrück, Lunch-Time Seminar in International Economics (Insitut für Weltwirtschaft)

2016 Deutsche Bundesbank Research Seminar, Lunch-Time Seminar at the University of Osnabrück, 2nd Inhouse Workshop of the Trinity Research Network (Federal Reserve Bank of New York, Bank of Canada, Swedish Riksbank, Bundesbank), German Economic Association, German Finance Association

2015 8th RGS Doctoral Conference in Economics (Ruhr Graduate School of Economics), Conference on Macro-Financial Linkages and Current Account Imbalances (IMF, Bundesbank, OeNB, CEPR), Annual Conference of the German Economic Association, 10th Workshop on Macroeconomics (ifo Dresden and University of Hamburg), University of Osnabrück Paper Seminar, 1st Inhouse Workshop of the Trinity Research Network (Federal Reserve Bank of New York, Bank of Canada, Swedish Riksbank, Bundesbank)

Other Information

Programming EViews, Matlab, Python, Stata

Languages German (native), English (fluent), French (proficient), Dutch (intermediate), Spanish (basic)

Citizenship German

References

Professor Valeriya Dinger
University of Osnabrück
Rolandstr. 8
49069 Osnabrück (Germany)
e-mail: valeriya.dinger@uni-osnabrueck.de
phone: (0049) 541 - 969 3398

Professor Frank Westermann
University of Osnabrück
Rolandstr. 8
49069 Osnabrück (Germany)
e-mail: frank.westermann@uni-osnabrueck.de
phone: (0049) 541 - 969 3508

Professor Hendrik Hakenes
University of Bonn
Adenauerallee 24-42
53113 Bonn (Germany)
e-mail: hakenes@uni-bonn.de
phone: (0049) 228 73 - 9225

Luís A.V. Catão
International Monetary Fund
700 19th Street
Washington DC 20431 (United States)
e-mail: lcatao@imf.org
phone: (001) 202 623 - 4993