

WTI Brown Bag Seminar



Title

Foreign currency loan conversions and currency mismatches

Speaker

Pinar Yeşin, PhD

When

Tuesday
26 March, 2019
12.30-13.30

Where

Anna Nussbaum Auditorium
World Trade Institute
Hallerstrasse 6, 3012 Bern

For PhD students: This lecture in economics is eligible as part of the PhD seminar series.

Abstract

This paper examines the effect of currency conversion programs as a preventive policy measure to reduce systemic exchange rate risks to bank balance sheets in Central and Eastern Europe (CEE) after the global financial crisis. The empirical findings suggest that Swiss franc loan conversion programs only marginally reduced currency mismatches in Swiss francs but increased bank exposure in other foreign currencies. This asymmetric effect of conversion programs arises from the loan restructuring from Swiss francs to a non-local currency and the high level of euro mismatches in the CEE banking system.

Biography of the speaker

Pinar Yeşin is an Economic Advisor and a Member of Senior Management at the Swiss National Bank, as well as an Economics Lecturer at the University of Zurich. Previously, she worked at the Study Center of Gerzensee and visited the Research Departments of the Federal Reserve Bank of St. Louis and the International Monetary Fund. Her research interests are in international finance and monetary policy. She holds a bachelor of science degree in mathematics from Boğaziçi University and a doctorate in economics from the University of Minnesota.