

## **Craig Holden Furfine**

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### **CURRENT POSITION**

**Economic Advisor** Federal Reserve Bank of Chicago July 2002 - present  
Chicago, IL

*Banking, Financial Markets and Regulation*

Pursues research agenda on financial institutions and markets. Serves as economics editor to the bank's quarterly research publication. Assists the President of the bank in his role as Chair of the Federal Reserve System's Committee on Investment Performance. Contributes to the regular Federal Open Market Committee briefing process. Presents research at conferences and publishes in high quality professional journals.

### **PREVIOUS EXPERIENCE**

**Senior Economist** Bank for International Settlements June 1998 – June 2002  
Basel, Switzerland

*Financial Institutions and Infrastructure*

Conducted rigorous analysis of financial markets and institutions to bolster the policy positions of the Bank, the Basel Committee on Banking Supervision, and the Committee on Payment and Settlement Systems. Made significant contributions to the proposed revision of international bank capital standards through membership of the Research Task Force of the Basel Committee. Prepared technical research papers on topics related to market microstructure, interbank markets, banking regulation, and payment systems. Research presented at conferences and published in high quality professional journals.

**Economist** Federal Reserve Board of Governors August 1995 - May 1998  
Washington, DC

*Division of Reserve Bank Operations & Payment Systems*

Conducted research for senior staff and board members on issues related to the operations of the twelve reserve banks and retail and wholesale payment systems. Represented the Federal Reserve Board as member of the Steering Group on Foreign Exchange Settlement Risk under the auspices of the Bank for International Settlements' Committee on Payment and Settlement Systems. Research presented at conferences and published in high quality professional journals.

### **REFEREED PUBLICATIONS**

"When is Inter-Transaction Time Informative?", 2007, *Journal of Empirical Finance*, vol. 14, no. 3, pp. 310-332.

"The Costs and Benefits of Moral Suasion: Evidence from the Creditors of Long-Term Capital Management," 2006, *The Journal of Business*, vol. 79 no. 2, pp. 593-622.

"Are credit ratings procyclical?" with Jeffery Amato, *Journal of Banking and Finance*, 2004, vol. 28, pp. 2641-2677.

- “Public Disclosures and Calendar-Related Movements in Risk Premiums: Evidence from Interbank Lending,” January 2004, *Journal of Financial Markets*, vol. 7 no. 1, pp. 97-116.
- “Standing facilities and interbank borrowing: Evidence from the Fed’s new discount window,” December 2003, *International Finance*, vol. 6 no. 3, pp. 329-347.
- “Interbank Exposures: Quantifying the Risk of Contagion,” *Journal of Money, Credit, and Banking*, February 2003, vol. 35 no. 1, pp. 111-128.
- “Interbank Markets in a Crisis,” *European Economic Review*, May 2002, vol. 46 no. 4-5, pp. 809-820.
- “Bank Portfolio Allocation: The Impact of Capital Requirements, Regulatory Monitoring, and Economic Conditions,” *Journal of Financial Services Research*, 2001, vol. 20 no. 1, pp. 33-56.
- “The Reluctance to Borrow from the Fed,” *Economics Letters*, 2001, vol. 72 no. 2, pp. 209-213.
- “Banks Monitoring Banks: Evidence from the Overnight Federal Funds Market,” *The Journal of Business*, 2001, vol. 74 no. 1, pp. 33-58.
- “Interbank Payments and the Daily Federal Funds Rate,” *Journal of Monetary Economics*, 2000, vol. 46 no. 2, pp. 535-553.
- “The Microstructure of the Federal Funds Market,” *Financial Markets, Institutions, and Instruments*, 1999, vol. 8 no. 5, pp. 24-44.
- “Analyzing Alternative Intraday Credit Policies in Real-Time Gross Settlement Systems,” with Jeff Stehm, *Journal of Money, Credit, and Banking*, 1998, vol. 30 no. 4, pp. 832-848.

## **CENTRAL BANK PUBLICATIONS**

- “Earnings announcements, private information, and liquidity,” Federal Reserve Bank of Chicago *Economic Perspectives*, 1<sup>st</sup> Quarter 2006, pp. 39-54.
- “Discount window borrowing: Understanding recent experience”, *Chicago Fed Letter* 212, March 2005.
- “Decimalization and market liquidity,” Federal Reserve Bank of Chicago *Economic Perspectives*, 4<sup>th</sup> Quarter 2003, pp. 2-12.
- “What’s Behind the Liquidity Spread: US Treasury Markets in Autumn 1998,” *BIS Quarterly Review*, June 2002, pp. 51-58.
- “Procyclicality of the financial system and financial stability: issues and policy options,” *BIS Papers No. 1*, with Claudio Borio and Philip Lowe, 2001.
- “Do Macro Announcements Still Drive the US Bond Market,” *BIS Quarterly Review*, June 2001, pp. 49-57.

## **WORKING PAPERS**

- “Price discovery in a Market Under Stress: The US Treasury Market in Fall 1998,” with Eli Remolona, mimeo, Federal Reserve Bank of Chicago. Revised November 2006.
- “Mergers and Default Risk,” with Richard Rosen, mimeo, Federal Reserve Bank of Chicago. Revised September 2006.

## **EDUCATION**

**Stanford University** Stanford, California

*Doctor of Philosophy* in Economics, 1995

Concentrations: Finance, Econometrics, and Macroeconomics.

Honors: National Science Foundation Fellowship. Economics Department Fellowship. Olin and Bradley Foundation Fellowship for Policy Related Economic Research.

*Master of Arts* in Economics, 1993

**University of California** Berkeley, California

*Bachelor of Arts* in Economics, 1990

Graduated with highest departmental honors.