

Sungjun Huh

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RESEARCH INTERESTS

Macro-Finance, Macroeconomics, Housing Economics, Monetary Economics, Time Series Econometrics

EDUCATION

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| Ph.D. Candidate, Economics, University of California, Riverside | 2013-present |
| M.S., Economics, Korea University, Seoul, South Korea Major Field: Monetary Economics | 2011 |
| B.A., Economics, Konkuk University, Seoul, South Korea <i>Summa cum Laude</i> ; Early graduation of excellent student (6 semesters) | 2008 |

AWARDS AND HONORS

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|---|--------------|
| Dean's Distinguished Fellowship, University of California, Riverside | 2013-present |
| Outstanding Teaching Assistant Award, University of California, Riverside | 2016 |
| Graduate Student Travel Grant, Graduate Student Association, University of California, Riverside | 2017 |
| Travel Grant, Department of Economics, University of California, Riverside | 2017 |
| Brain Korea 21(BK21) RA Scholarship, Korea Research Foundation, South Korea Note: ineligible for BK21 Scholarship in Jan and Feb 2010 while employed by the Korea Development Bank | 2008-2009 |
| Merit-Based Scholarship, Konkuk University, Seoul, South Korea | 2006-2007 |

WORKING PAPERS

"Limited Borrowing Capacity of Financial Intermediaries and the Equity Premium," **Job Market Paper**
"Implications of House Prices for the Equity Premium"
"Housing and Relative Risk Aversion with Generalized Recursive Preferences"
"Forecasting Output Growth and Inflation Using the Supervision Augmented Nelson-Siegel's Factors"

SEMINARS AND CONFERENCE PRESENTATIONS

2017: Western Economic Association International (WEAI), San Diego
Economic Theory Colloquium, University of California, Riverside

TEACHING EXPERIENCE

Lecturer - University of California, Riverside

Undergraduate:

Intermediate Macroeconomic Theory

Summer 2017

Introductory Econometrics I

Summer 2016, Fall 2016

Teaching Assistant - University of California, Riverside

Graduate:

Econometric Methods II

Winter 2015

Undergraduate:

Intermediate Macroeconomic Theory

Spring 2015, Winter 2017, Spring 2017

Introduction to Macroeconomics

Summer 2015, Fall 2017

Introduction to Microeconomics

Winter 2016

Introduction to Money, Banking, and Credit

Fall 2015

Introductory Econometrics I

Spring 2016

Statistics for Economics

Fall 2014

PROFESSIONAL SERVICE

Referee for *Macroeconomic Dynamics*, *Econometric Reviews*, *Empirical Economics*

NON-ACADEMIC WORK EXPERIENCE

Officer, Korea Development Bank, South Korea

2010-2011

Sergeant (Military Service), 203rd Ranger Commando Brigade, South Korea

2004-2006

SKILLS AND PERSONAL

Computer Applications: Mathematica, Matlab, Dynare, GAUSS, Eviews, SAS, L^AT_EX

Languages: English, Korean

Citizenship: South Korea, F-1 Visa

REFERENCES

Professor Eric Swanson (Co-Chair)

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University of California, Irvine

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Professor Marcelle Chauvet (Co-Chair)

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THESIS ABSTRACT

“Limited Borrowing Capacity of Financial Intermediaries and the Equity Premium,” Job Market Paper

This paper investigates the relationship between the mechanism of limited borrowing capacity of financial intermediaries and the equity premium in a production economy. A medium-scale New Keynesian model is proposed, featuring an agency problem between financial intermediaries and their private creditors, and generalized recursive preferences. The model considers not only the linkages between banking frictions with the macroeconomy, but also with financial markets. The findings are that banking frictions associated with the agency problem generate a plausible and novel enhancing mechanism for risk premia. In the benchmark setting, banking frictions increase the level of the equity premium substantially and the model produces a fourfold greater response to shocks compared to the case of no banking frictions. The paper also finds that the interaction between monetary policy and banking frictions plays a crucial role in determining the dynamics of the equity premium.

“Implications of House Prices for the Equity Premium”

Recent financial crises show that the housing market, financial markets, and the rest of the economy are closely linked to each other. This paper examines the impact of credit limit fluctuations on the equity premium through the financial accelerator channel in a production economy. To do so, this article introduces the Kiyotaki-Moore (1997) type collateral constraint and Epstein-Zin-Weil preferences into a medium-scale New Keynesian DSGE model with nominal rigidity. My findings are twofold. First, the endogenous fluctuations of credit limit, a key ingredient of the financial accelerator channel, have only minimal effects on the equity premium both quantitatively and qualitatively. Second, liquidity and housing demand shocks that are closely related to credit limit fluctuations also have a very small impact on the equity premium, while technology shocks help generate the observed equity premium.

“Housing and Relative Risk Aversion with Generalized Recursive Preferences”

As recent financial crises show, a significant decline in house prices can reduce confidence of economic agents and cause bank runs and a fire sale. This paper investigates the role of housing on the household’s attitudes toward risk, and derives the closed-form expressions for risk aversion with generalized recursive preferences. This paper finds that including housing in the utility function lowers risk aversion because housing partially absorbs aggregate shocks to consumption and labor.

“Forecasting Output Growth and Inflation Using Supervision-Augmented Nelson-Siegel’s Factors”

This paper suggests a supervision-augmented Nelson-Siegel model to forecast U.S. output growth and CPI inflation. Supervision method implies training the factors with past information of target variables to improve forecasting. The forecasting performance of the supervision-augmented model is substantially better than the standard Nelson-Siegel model in out-of-sample forecasting. The root mean squared forecast errors of output growth are significantly reduced at a forecast horizon of one year. For CPI inflation, the model shows better forecast performance at shorter forecast horizons. The supervision seems to significantly improve the factors estimation and forecast performance of the model.