

# Lavinia Franco

lavinia.franco@bayes.city.ac.uk | +44(0)7778625972 | [www.laviniafranco.com](http://www.laviniafranco.com)

Department of Finance, Bayes Business School (formerly Cass) - City, University of London  
106 Bunhill Row, London EC1Y 8TZ, UK

---

## References

Prof. Thorsten Beck  
European University Institute  
thorsten.beck@eui.eu  
+390554685892

Dr. Francesc Rodriguez Tous  
Bayes Business School (formerly Cass)  
francesc.rodriguez-tous@city.ac.uk  
+44(0)2070405853

Dr. Leonardo Gambacorta  
Bank for International Settlements  
leonardo.gambacorta@bis.org  
+41612808080

Prof. Franco Bruni  
Bocconi University  
franco.bruni@unibocconi.it  
+390258365908

---

## Education

Bayes Business School (formerly Cass) - City, University of London 2024 (exp.)

PhD Candidate in Finance

- Research areas: Banking, Financial Technology, Monetary Policy & Credit
- Thesis advisors: Prof. Thorsten Beck; Dr. Francesc Rodriguez Tous

European University Institute 2022 – 2023

PhD Visiting

Barcelona School of Economics 2018

Master Program in Finance

Bocconi University 2016

Master of Science in Economic and Social Science

Tor Vergata University of Rome 2013

Bachelor of Science in Economics and Finance

---

## Employment

International Monetary Fund 2022

Summer Intern in the Western Hemisphere Department

Bank for International Settlements 2020

Senior Associate (PhD Fellow) in the Monetary and Economic Department

European Central Bank 2016 – 2017

Student Research Assistant in the Research Department

European Securities and Markets Authority 2015 – 2016

Intern in the Supervision Department

---

## Research

### Job Market Paper

#### **The fintech lending channel of monetary policy**

*Abstract.* Technology-based (fintech) lending is a growing segment of the credit market. Yet, there is a question of whether the transmission of monetary policy to fintech lending differs from the non-fintech one. This paper investigates the transmission of monetary policy through a *fintech lending channel*. Using static and dynamic models and a detailed dataset on fintech nonbanks activities in the U.S., I show that fintech lenders tend to accelerate the monetary policy transmission to mortgages rates, while they lessen the pass-through to mortgage volumes. As fintech lending grows at a fast pace, these results are relevant from a policy and regulatory standpoint.

### Working Papers

#### **Funding for fintechs: patterns and drivers** - with G. Cornelli (BIS), S. Doerr (BIS) and J. Frost (BIS) in **BIS Quarterly Review** (Sep. 2021)

*Abstract.* This paper examines trends in equity funding for financial technology firms (fintechs) and the underlying country-specific drivers. Fintechs have raised over \$1 trillion in equity globally since 2010. While the investment landscape was initially quite concentrated, it has become more diverse, both geographically and across market segments. Equity funding for fintechs is higher in countries with more innovation capacity and better regulatory quality. It also increases after the introduction of regulatory sandboxes. Early-stage venture capital investment is higher after merger and acquisition activity by large banks, but not after that by big techs.

#### **Digital Money and remittances costs in Central America, Panama, and the Dominican Republic** - with A. Carare (IMF), M. Hadzi-Vaskov (IMF), J. Lesniak (IMF), D. Vasilyev (IMF) and Y. Yakhshilikov (IMF) in **IMF Working Paper Series** (No. 2022/238)

*Abstract.* This paper investigates factors that predict variation in digital and non-digital remittance fees over time and across countries, exploring differences between CAPDR and other regions. The paper fills a void in the literature on how country- and corridor-specific factors relate to remittance fees at different levels of digitalization of the transaction mode. It also complements stylized facts and regression analysis with a survey analysis of CAPDR authorities' views on the latest developments related to digital remittances. The paper finds a declining trend of remittance fees across countries and at any level of digitalization. More competition, financial and digital development in receiving countries are associated with lower remittance fees. The surveyed authorities actively explore the use of digital money to advance domestic payment systems, expedite financial inclusion, and lower remittances fees, yet see considerable risks, especially for preserving monetary sovereignty in CAPDR.

#### **Post-crisis banking regulation and credit rating adjustments. How did the bail-in affect Eurozone banks' credit rating?**

*Abstract.* Using within-bank variation, this paper studies the impact of the 2014 bail-in regulation on banks' credit rating in the Eurozone. The analysis shows that, with the introduction of the bail-in, bank ratings were (i) subject to a downward pressure and (ii) more homogenous across credit rating agencies (CRAs). While credit rating adjustments appear justified by the methodologies used, the convergence among CRAs still indicates some degree of discretion in assigning scores. These results are consistent with herding behaviour among CRAs.

### Work in progress

#### **Financial institutions and financial technology** - with T. Beck (EUI) and L. Gambacorta (BIS)

## Pre-PhD working paper

**Does fintech contribute to systemic risk? Evidence from the U.S. and Europe** - with A. García (Bank of Mexico), V. Husetović (PwC) and J. Lassiter in **ADBI Working Paper Series**, (No. 2020/1132) and in **Macroeconomic Stabilization in the Digital Age, ADBI Books** (2020).

*Abstract.* Fintech has increasingly become a part of the global economy with the evolution of technology, increasing investments in fintech firms, and greater integration between traditional incumbent financial firms and fintech. Since the 2007-2009 financial crisis, more attention has also been given to the impact of financial institutions on systemic risk. As fintech grows, so too should the concern for its possible impact on systemic risk. This paper analyzes two indices of public fintech firms (one for the United States and another for Europe) by computing the Delta CoVaR of the fintech firms against the financial system to measure their impact on systemic risk. Our results show that at this time fintech firms do not greatly contribute to systemic risk.

---

## Teaching

Financial Institutions - Bayes Business School <i>Teaching Assistant</i>	2024
Business & Managerial Economics - Bayes Business School <i>Grading</i>	2019-2020

---

## Honors, Scholarships and Fellowships

PhD Fellowship Programme - Bank for International Settlements	2020
PhD Scholarship - Bayes Business School	2018-2023
Merit-based waiver for 100% of tuition fees for the Master Program - Barcelona School of Economics	2017
One day at the European Central Bank as part of the <i>European Central Bank Female Talent</i>	2016
Student Scholarship awarded to attend <i>Economy Festival Trento</i>	2010

---

## Professional services

Organizing committee: Day-Ahead PhD Workshop on Financial Intermediation, Centre for Banking Research at Bayes Business School (2023).

Discussant: 14th Doctoral Conference in Economics, Ruhr Graduate School in Economics (2021); World Finance Conference (2021).

Replication service before publications: Economic Policy (2019, 2020).

---

## Conference and seminars

2023. Florence School of Banking and Finance Seminar - Robert Schuman Centre; European University Institute working group; Day-Ahead PhD Workshop on Financial Intermediation, Centre for Banking Research at Bayes Business School. 2022: International Monetary Fund Department Seminar. 2021. 14th Doctoral Conference in Economics, Ruhr Graduate School in Economics; 8th Annual Money, Macro and Finance PhD Conference, sponsored by the Money, Macro and Finance Society, the Bank of England, and the Centre for Macroeconomic Policy at Durham University Business School; 37th International Conference of the French Finance Association,

Audencia Business School; 3rd International Conference on European Studies, jointly organized by the Network for European Studies; World Finance Conference; International Finance and Banking Society 2021 Oxford Conference, organised in collaboration with the Bank of England, King's College London, University of Oxford and the University of Nottingham; 10th International Conference of the Financial Engineering and Banking Society, LSMRC Laboratory, IAE - Lille University - School of Management. 2019. International Finance and Banking Society 2019 Angers Conference, ESSCA School of Management; 1st Center for European Studies International Conference on European Studies, University of Milano-Bicocca ~; Conference on Macroeconomic Stabilization in the Digital Age jointly organized by the Asian Development Bank Institute and Sim Kee Boon Institute, Singapore Management University.

~ presented by co-authors.

---

## **Additional trainings**

Summer school in Microeconometrics - Paris School of Economics 2016

Summer school in Macroeconomics - Centre de Recerca en Economia Internacional 2015

Short course on The Politics of the European Union - Istituto per le Politiche Internazionali 2015

---

## **Other information**

Citizenship: Italian. UK pre-settled status.

Languages: English (Fluent), Italian (Native), French (Intermediate).

Last updated: October 2023.