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Citizenship: British, Russian

Research Fields

Macroeconomics, Finance, Economic History

Working Papers

The Rate of Return on Everything, 1870 – 2015 (with Òscar Jordà, Katharina Knoll, Moritz Schularick, and Alan M. Taylor). NBER Working Paper No. 24112.

Conditionally accepted at the Quarterly Journal of Economics

Sovereigns Going Bust: Estimating the Cost of Default (with Kaspar Zimmermann).
Bonn Econ Discussion Paper 01/2016.

R&R at the European Economic Review

The Big Bang: Stock Market Capitalization in the Long Run (with Kaspar Zimmermann).
EHES Working Paper No. 136.

Publications

Deleveraging, Deflation and Depreciation in the Euro Area (with Gernot Müller and Martin Wolf). **European Economic Review**, 2016, Vol. 88, pp. 42–66.

Job Market Paper

The Time Varying Risk Puzzle [[link to latest version](#)]

This paper shows that the correlation between discount rates on three major risky asset classes – equity, housing and corporate bonds – is approximately zero. I establish this new stylized fact – the time varying risk puzzle – by using new long-run data for 17 advanced economies. I confirm that asset valuations and macro-financial risk factors predict returns on individual asset classes, but I show that none of these variables have predictive power across asset classes. The absence of observed discount rate co-movement constitutes a major puzzle since all but a very select set of asset pricing models assume a joint pricing kernel and hence predict a high correlation of risk premia. My findings imply that time-varying discount rates are unlikely to be the key driver of asset price fluctuations. This puts into question prominent asset pricing models relating to time-varying risk aversion, disaster risk, and intermediary risk appetite. The absence of co-movement in the data is not fully attributable to asset-specific risk, investor heterogeneity or market segmentation. Instead, the data point to volatile expectations as the central source of asset price volatility, in line with behavioural models. The observed expectation volatility has real economic effects on a business cycle frequency. Elevated sentiment – or overoptimistic expectations – predict low future GDP growth, and sentiment reversals often mark the onset of financial crises.

Education

University of Bonn

Ph.D. candidate, Economics, since 2013

University of Warwick

MSc Economics & International Financial Economics, 2010–2011 (with distinction)

Award: Examiner's Prize for the best performance in MSc Economics

University of Oxford, Balliol College

BA Hons Economics & Management, 2004–2007 (First class)

References

Professor Moritz Schularick

University of Bonn; CEPR; and CESifo;
New York University, Stern School of Business
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Professor Alan M. Taylor

University of California, Davis;
NBER; and CEPR
amtaylor@ucdavis.edu

Professor Gernot Müller

University of Tübingen;
CEPR; and CESifo
gernot.mueller@uni-tuebingen.de

Professor Òscar Jordà

Federal Reserve Bank of San Francisco;
University of California, Davis
oscar.jorda@sf.frb.org

Teaching

2017–18: *Financial Crises in Historical Perspective* (BA module, Bonn), Lecturer.
Teaching evaluation grade: 1.1 (GPA equiv. 3.9)

Employment

2007–2013: *Bank of England*, Economist.

Areas covered: Financial regulation, Macroprudential policy, UK banking statistics.

External Presentations

2018: ESSIM, Oslo; EAYE Workshop on Housing and Macroeconomics, Leipzig; EEA-ESEM, Cologne; 2nd European Macro-history workshop, York; ADEMU workshop on Fiscal Policy in EMU, Frankfurt (discussant); Bundesbank conference on Financial Cycles and Regulation, Frankfurt (poster)

2017: Workshop on Growth, Stagnation and Inequality, Bank of England; ADEMU Summer School, Toulouse; Research workshop in Macrohistory, Halle; 10th RGS Doctoral Conference, Dortmund; Bonn-Mahhheim PhD Workshop, Mannheim

2015-16: ADEMU Workshop on Macroeconomic and Financial Imbalances and Spillovers, Prague; Tübingen Brown Bag Seminar; 5th Lindau Nobel Laureate meeting (panelist)

Professional Activities

Referee: *European Economic Review*, *Journal of International Economics*.