

# Dmitry Kuvshinov

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Citizenship: British, Russian

## Research Fields

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Macroeconomics, Finance, Economic History

## Working Papers

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

**Forthcoming 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

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*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

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### **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 stylised 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 is puzzling 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 variation in discount rates – through factors such as risk aversion, disaster risk and intermediary risk appetite – is, ultimately, not the key driver of observed asset price volatility. The absence of co-movement 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

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*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

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*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  
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*Professor Òscar Jordà*

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

## Teaching

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

## Employment

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

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

## External Presentations

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*2018:* ESWM, Naples; ESSIM, Oslo; EAYE Workshop on Housing and Macroeconomics, Leipzig; Eurhistock conference, Paris; 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-Mannheim 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

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Referee: European Economic Review, Journal of International Economics.