Simon H. Kwan

Curriculum Vitae

Senior Research Advisor
Federal Reserve Bank of San Francisco
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Areas of Expertise

Monetary and Financial Stability Policy, Financial Intermediation, Banking Supervision and Regulation

Positions Held

Senior Research Advisor, Federal Reserve Bank of San Francisco, 2017 to present.
Vice President, Financial Research, 2004 to 2014.
Research Advisor, 2001 to 2004.
Senior Economist, 1998 to 2001.
Economist, 1995 to 1997.

Group Vice President, Financial Stability and Research, Federal Reserve Bank of Cleveland, 2016 to 2017.

Head of Research and Modelling, Financial Stability Department, Sveriges Riksbank, 2015 to 2016.

Overseas Advisor, Hong Kong Institute for Monetary Research, Hong Kong Monetary Authority, 2014 to present.

Visiting Scholar, Research Department, Bank of Finland, 2019, 2025.

Research Fellow, Hong Kong Institute for Monetary Research, Hong Kong Monetary Authority, 2000, 2001, 2003, 2004, 2013, 2014, 2018.

Senior Visitor, Center for Financial Studies, Goethe University Frankfurt Am Main, 2013.

Visiting Professor, Department of Economics, University of California at Berkeley, 1997.

Assistant Professor, Department of Finance, College of Business and Public Administration, University of Arizona, 1990 to 1994.

Education

Ph.D. in Finance, University of North Carolina, Chapel Hill, NC, 1990.

M.B.A. in Finance, University of North Texas, Denton, TX, 1986.

B.B.A. in Finance, University of North Texas, Denton, TX, 1983.

Publications

Book Chapters

Data for Microprudential Supervision of U.S. Banks (with Mark Flood and Irina Leonova), 2014, in *Handbook of Financial Data and Risk Information*, *Chapter 11*, Cambridge University Press.

Financial Modernization and Regulation, 2000, Kluwer Academic Publishers, Norwell, Massachusetts. (Editor, with Robert A. Eisenbeis and Frederick T. Furlong)

Refereed Academic Journals

"The Transmission of Negative Nominal Interest Rates in Finland" with Mauricio Ulate and Ville Voutilainen, *Journal of European Economic Association,* forthcoming.

"The International Transmission of Shocks through the Lens of Foreign Banks in Hong Kong" with Kelvin Ho, Cho-hoi Hui, and Eric T.C. Wong, *Journal of International Money and Finance*, 2024, Volume 142, April, Page 1-14.

"The Impact of Reserve Practices on Bank Opacity," with Guiliano Iannotta, *Journal of Financial Management, Markets and Institutions*, 2022, Volume 10, Number 1, Page 1-26.

"Financial Stability and the Resolution of Federal Reserve Goal and Implementation Conflicts," with Robert A. Eisenbeis and Larry Wall, *Journal of Financial Services Research,* 2018, Volume 53, Issue 2, Page 163-178.

"The 2007-09 Financial Crisis and Bank Opaqueness," with Mark Flannery and M. Nimalendran, *Journal of Financial Intermediation*, 2013, Volume 22, Issue 1, Page 55-84. (*Won 2013 Journal of Financial Intermediation Most Significant Paper Award*.)

"Financial Contracting and the Choice between Private Placement and Publicly Offered Bonds," with Bill Carleton, *Journal of Money, Credit and Banking*, 2010, Volume 42, Number 5, Page 907-929.

"The X-Efficiency of Commercial Banks in Hong Kong," *Journal of Banking and Finance*, 2006, Volume 30, Number 4, Page 1127-1147. (HKIMR Working Paper No.12/2002)

"Market Evidence on the Opaqueness of Banking Firms' Assets," with Mark Flannery and M. Nimalendran, *Journal of Financial Economics*, 2004, Volume 71, Number 3, Page 419-460.

"Impact of Deposit Rate Deregulation in Hong Kong on the Market Value of Commercial Banks," *Journal of Banking and Finance*, 2003, Volume 27, Number 12, Page 2231-2248. (HKIMR Working Paper No.10/2000)

"Operating Performance of Banks among Asian Economies: An International and Time-Series Comparison," *Journal of Banking and Finance*, 2003, Volume 27, Number 3, Page 471 - 489. (HKIMR Working Paper No.13/2002)

"Hidden Cost Reductions in Bank Mergers: Accounting for More Productive Banks," with James A. Wilcox, *Research in Finance*, 2002, Volume 19, Page 109-124.

"Financial Modernization and Regulation," with Frederick T. Furlong, *Journal of Financial Services Research*, September/December 1999, Volume 16, Numbers 2/3, Page 5-10.

Comments on "Trends in Organizational Form and Their Relationship to Performance: The Case of Foreign Securities Subsidiaries of U.S. Banking Organizations," *Journal of Financial Services Research*, September/December 1999, Volume 16, Numbers 2/3, Page 219-221.

"Bank Risk, Capitalization, and Operating Efficiency," with Robert A. Eisenbeis, *Journal of Financial Services Research*, October/December 1997, Volume 12, Number 2/3, Page 117-131.

"Firm-Specific Information and the Correlation between Individual Stocks and Bonds," *Journal of Financial Economics*, January 1996, Volume 40, Number 1, Page 63-80.

"An Analysis of Inefficiencies in Banking," with Robert A. Eisenbeis, *Journal of Banking and Finance*, June 1995, Volume 19, Numbers 3-4, Page 733-734.

"Re-examination of Interest Rate Sensitivity of Commercial Bank Stock Returns Using a Random Coefficient Model," *Journal of Financial Services Research*, March 1991, Volume 5, Number 1, Page 61-76.

Other Publications

"Bank Franchise as a Stabilizing Force" (with Zinnia Martinez), *Economic Letter*, Federal Reserve Bank of San Francisco, August 2024.

"Financial Market Conditions during Monetary Tightening" (with Louis Liu), *Economic Letter*, Federal Reserve Bank of San Francisco, February 2023.

"Minority Banks during the COVID-19 Pandemic" (with Sophia Friesenhahn), *Economic Letter*, Federal Reserve Bank of San Francisco, August 2021.

"Resilience of Community Banks in the Time of COVID-19" *Economic Letter*, Federal Reserve Bank of San Francisco, March 2021.

"Risk of Business Insolvency during Coronavirus Crisis" (with Sophia Friesenhahn), *Economic Letter*, Federal Reserve Bank of San Francisco, October 2020.

"Market Assessment of COVID-19" (with Thomas Mertens), *Economic Letter*, Federal Reserve Bank of San Francisco, May 2020.

"Banks' Real Estate Exposure and Resilience," *Economic Letter*, Federal Reserve Bank of San Francisco, April 2019.

"Asset Valuations and Financial Stability," with Paolo Giordani, Anna Grodecka, Paola Morales, Erik Spector, and Dilan Olcer, *Economic Commentaries,* Sveriges Riksbank, No. 15, 2015.

"Assessing Expectations of Monetary Policy," with Jens Christensen, *Economic Letter*, Federal Reserve Bank of San Francisco, September 2014.

"Long Road to Normal for Bank Business Lending," *Economic Letter*, Federal Reserve Bank of San Francisco, August 2014.

"Financial Crisis and Bank Lending," in *Matching Stability and Performance: The Impact of New Regulations on Financial Intermediary Management and Performance*, Proceedings of the 2010 Banking Conference at Bocconi University, Milan, Italy.

"Ownership Structure and Firm Performance: Evidence from the Banking Industry," in *Business Models in Banking: Is There a Best Practice?* Proceedings of the 2009 Banking Conference at Bocconi University, Milan, Italy.

"Capital Structure in Banking," *Economic Letter*, Federal Reserve Bank of San Francisco, December, 2009.

"Behavior of Libor in the Current Financial Crisis," *Economic Letter*, Federal Reserve Bank of San Francisco, January, 2009.

"On Forecasting Future Monetary Policy: Has Forward-Looking Language Mattered?" *Economic Letter*, Federal Reserve Bank of San Francisco, June, 2007.

"Safe and Sound Banking Twenty Years Later: What was Proposed and What has been Adopted," with Frederick T. Furlong, *Economic Review*, Federal Reserve Bank of Atlanta, First and Second Quarters 2007, Volume 92, Numbers 1 and 2, Page 1-23.

"Safe and Sound Banking, 20 Years Later," *Economic Letter*, Federal Reserve Bank of San Francisco, October, 2006.

"Inflation Expectations: How the Market Speaks," *Economic Letter*, Federal Reserve Bank of San Francisco, October, 2005.

"Risk and Return of Publicly Held versus Privately Owned Banks," *Economic Policy Review*, Federal Reserve Bank of New York, September 2004, Volume 10, Number 2, Page 97-107.

"Gauging the Market's Expectations about Monetary Policy," *Economic Letter*, Federal Reserve Bank of San Francisco, October, 2004.

"Banking Consolidation," *Economic Letter*, Federal Reserve Bank of San Francisco, June, 2004.

"The Present and Future of Pension Insurance," *Economic Letter*, Federal Reserve Bank of San Francisco, August, 2003.

"Underfunding of Private Pension Plans," *Economic Letter*, Federal Reserve Bank of San Francisco, June, 2003.

"Pension Accounting and Reported Earnings," *Economic Letter*, Federal Reserve Bank of San Francisco, June, 2003.

"Bank Security Prices and Market Discipline," *Economic Letter*, Federal Reserve Bank of San Francisco, December, 2002.

"The Promise and Limits of Market Discipline in Banking," *Economic Letter*, Federal Reserve Bank of San Francisco, December, 2002.

"Deposit Insurance Reform – When Half a Loaf is Better," with Federick T. Furlong, *Economic Letter*, Federal Reserve Bank of San Francisco, May, 2002.

"Is There a Credit Crunch?" *Economic Letter*, Federal Reserve Bank of San Francisco, April, 2002.

"Financial Modernization and Banking Theories," *Economic Letter*, Federal Reserve Bank of San Francisco, December, 2001.

"Rising Junk Bond Yields: Liquidity or Credit Concerns?" *Economic Letter*, Federal Reserve Bank of San Francisco, November, 2001.

"The Stock Market: What a Difference a Year Makes," *Economic Letter*, Federal Reserve Bank of San Francisco, June, 2001.

"Has Bank Performance Peaked?" *Economic Letter*, Federal Reserve Bank of San Francisco, October, 2000.

"Three Questions about 'New Economy' Stocks," *Economic Letter*, Federal Reserve Bank of San Francisco, May, 2000.

"Margin Requirements as a Policy Tool?" *Economic Letter*, Federal Reserve Bank of San Francisco, March, 2000.

"Improving Public Disclosure in Banking," with Frederick T. Furlong et al., *Staff Study*, Federal Reserve System Study Group on Disclosure, March 2000.

"Mergers of Publicly Traded Banking Organizations Revisited," with Robert A. Eisenbeis, *Economic Review*, Federal Reserve Bank of Atlanta, 1999, Volume 84, Number 4, Page 26-37.

"On the Portfolio Effects of Financial Convergence -- A Review of the Literature," with Elizabeth Laderman, *Economic Review*, Federal Reserve Bank of San Francisco, 1999, Number 2, Page 18-31.

"Financial Modernization and Regulation," with Frederick T. Furlong, *Economic Letter*, Federal Reserve Bank of San Francisco, December 1999.

"Hidden Cost Reductions in Bank Mergers: Accounting for More Productive Banks," with James A. Wilcox, Proceedings of The 35th Annual Conference on Bank Structure and Competition: Global Financial Crises -- Implications for Banking and Regulation, Federal Reserve Bank of Chicago, May 1999, Page 533-547.

"Rising Bank Risk?" with Frederick T. Furlong, *Economic Letter*, Federal Reserve Bank of San Francisco, October 1999.

"A New View on Cost Savings in Bank Mergers," with James A. Wilcox, *Economic Letter*, Federal Reserve Bank of San Francisco, August 1999.

"Risk and Return of Banks' Section 20 Securities Affiliates," *Economic Letter*, Federal Reserve Bank of San Francisco, October 1998.

"Securities Activities by Commercial Banking Firms' Section 20 Subsidiaries: Risk, Return, and Diversification Benefits," Proceedings of The 34th Annual Conference on Bank Structure and Competition: Payments Systems in the Global Economy, Federal Reserve Bank of Chicago, May 1998, Page 531-552.

"Bank Charters vs. Thrift Charters," *Economic Letter*, Federal Reserve Bank of San Francisco, April 1998.

"Recent Developments in Loan Loss Provisioning at U.S. Commercial Banks," with Randy O'Tool, *Economic Letter*, Federal Reserve Bank of San Francisco, July 1997.

"Market Evidence on the Opaqueness of Banking Firms' Assets," with Mark Flannery and M. Nimalendran, Proceedings of The 33rd Annual Conference on Bank Structure and Competition: Technology, Federal Reserve Bank of Chicago, May 1997, Page 470-485.

"Cracking the Glass-Steagall Barriers," *Economic Letter*, Federal Reserve Bank of San Francisco, March 1997.

"Efficiency of U.S. Banking Firms--An Overview," *Economic Letter*, Federal Reserve Bank of San Francisco, February 1997.

"An Analysis of Inefficiencies in Banking: A Stochastic Cost Frontier Approach," with Robert A. Eisenbeis, *Economic Review*, Federal Reserve Bank of San Francisco, 1996, Number 2, Page 16-26.

"On the Relation between Stocks and Bonds--Part I and Part II," *Economic Letter*, Federal Reserve Bank of San Francisco, June/July 1996.

"Innovations and Recent Developments in Mortgage-Backed Securities," *Economic Letter*, Federal Reserve Bank of San Francisco, January 1996.

"The Economics of Merging Commercial and Investment Banking," *Economic Letter*, Federal Reserve Bank of San Francisco, May 1995.

"An Analysis of Inefficiencies in Banking: A Stochastic Cost Frontier Approach," with Robert A. Eisenbeis, Proceedings of The 31st Annual Conference on Bank Structure and Competition: Assessing Innovations in Banking, Federal Reserve Bank of Chicago, May 1995, Page 369-385.

"The Certification Value of Bank Loans," Proceedings of The 30th Annual Conference on Bank Structure and Competition: The Declining Role of Banking, Federal Reserve Bank of Chicago, May 1994, Page 547-562.

"Risk Taking Behavior of Banking Firms," Proceedings of The 27th Annual Conference on Bank Structure and Competition: Rebuilding Banking, Federal Reserve Bank of Chicago, May 1991, Page 177-198.

Research Projects

"A Tale of Two Tightenings" with Ville Voutilainen (Bank of Finland), FRBSF Working Paper 2025-14.

"Complexity of Global Banks and their Foreign Operation in Hong Kong" with Kelvin Ho and Edward Tan (Hong Kong Monetary Authority), FRBSF Working Paper 2019-22.

"Tracking Financial Fragility" with Paolo Giordani (Norwegian Business School), FRBSF Working Paper 2019-06.

Professional Activities

Committee Member, Federal Reserve Quantitative Surveillance Committee

Committee Member, Federal Reserve Emerging Risk Committee

Associate Editor, Journal of Financial Research

Editorial Board Member, International Journal of Banking, Accounting and Finance

Personal Information

Citizenship: U.S.A.

Place of Birth: Hong Kong

Language: Fluent in Chinese

Marital Status: Married, with two children

References

Available upon request.