

*Curriculum Vitae*  
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**Karen K. Lewis**

*ADDRESS*

Department of Finance, SH-DH 2300  
University of Pennsylvania  
The Wharton School  
Philadelphia, PA 19104-6367  
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*CURRENT POSITION*

July 2001  
- present

*Joseph and Ida Sondheimer Professor of  
International Economics and Finance,*  
Finance Department, Wharton School,  
University of Pennsylvania; Secondary,  
Department of Economics, School of Arts and  
Sciences, University of Pennsylvania.

*OTHER ACADEMIC POSITIONS*

July 2005  
- July 2011

*Co-Director, Weiss Center for International  
Financial Research, Wharton School.*

July 1997  
- July 2001

Miller-Sherrerd Professor of Finance, Finance  
Department, Wharton School

July 1994  
- June 2001

*Professor, Finance Department,*  
Wharton School, University of Pennsylvania.

July 1991  
- June 1994

*Associate Professor (with tenure), Finance  
Department, Wharton School, University of  
Pennsylvania.*

September 1989  
- June 1991

*Associate Professor (1991, with tenure), New  
York University, Stern School of Business.*

September 1985  
- August 1989

*Assistant Professor, New York University,  
Stern School of Business.*

*EDUCATION*

June 1985 Ph.D.

University of Chicago

May 1979 B.A.

University of Oklahoma

### *CURRENT ACADEMIC AFFILIATIONS*

*Research Fellow*, Centre for Economic Policy Research.

*Research Associate*, National Bureau of Economic Research.

*Senior Fellow*, Globalization and Monetary Policy Institute, Federal Reserve Bank of Dallas

### *CURRENT ACTIVITIES*

*Co-Organizer/Founding Organizer*, International Asset Pricing Workshop, National Bureau of Economic Research Summer Institute; *Research Fellow*, Bank of International Settlements;

*Program Committee*, Society for Financial Studies Cavalcade North America.

### *PAST ACTIVITIES*

#### *- EDITORIAL AND ADVISORY POSITIONS*

*Editorial Board*, American Economic Review; *Associate Editor*, Journal of International Economics, *Associate Editor*, Journal of Money, Credit, and Banking; *Associate Editor*, Journal of Applied Econometrics; *Editorial Board*, International Journal of Finance and Economics; *Editorial Board*, Economic Policy Review, Federal Reserve Bank of New York; *Advisory Committee*, Carnegie-Rochester Conferences on Public Policy; *Research Advisory Council Member*, Center for Excellence SAFE (Sustainable Architecture of Finance in Europe), Goethe University Frankfurt;

#### *- CONFERENCE ORGANIZING*

*Program Committee*, McGill Global Asset Management Conference; *Co-Organizer*, Wharton Impact Conference on Globalization of Financial Markets; *Committee of Visitors*, National Science Foundation; *Program Committee*, American Finance Association Annual Meetings; *Election Board*, American Finance Association; *Program Committee*, American Economic Association Winter Meeting; *Panel Member*, Economics Panel of the National Science Foundation; *Conference Organizer*, National Bureau of Economic Research, International Finance and Macroeconomics Workshop; *Program Committee*, North American Econometric Society Winter Meetings; *Program Committee*, American Finance Association Annual Meetings.

#### *-SELECTED VISITING POSITIONS*

*Visiting Scholar*, Finance Department, INSEAD, Fontainebleau, France; *Visiting Scholar*, Institute for Monetary and Economic Studies, Bank of Japan; *Visiting Scholar*, Economics Department,

*-SELECTED VISITING POSITIONS (cont.)*

*Princeton University; Visiting Professor, Singapore Management University, Singapore; Visiting Scholar, Stern School of Business, New York University, New York, NY; Visiting Scholar, Federal Reserve Bank of Philadelphia; Visiting Scholar, International Finance Division, Board of Governors of the Federal Reserve System; isiting Consultant, Research Department, International Monetary Fund, Washington, D.C.; Visiting Scholar, Bank of Israel; Visiting Scholar, International Finance Division, Board of Governors of the Federal Reserve System; National Science Foundation Visiting Professor, University of Pennsylvania; Olin Foundation Research Fellow, National Bureau of Economic Research, Cambridge, Massachusetts; Visiting Scholar, International Finance Division, Board of Governors of the Federal Reserve System, Washington, D.C.*

*WORK IN PROGRESS*

*-ARTICLES*

*“Difference of Opinions and US Treasury Prices” with Bernard Dumas and Emilio Osambela*  
*“International Disaster Risk” with Edith X. Liu*

*-BOOKS*

*“Global Macro-Finance”*

*WORKING PAPERS*

*“Who Holds Sovereign Debt and Why It Matters” with Bryan Hardy and Xiang Fang, 2022.*

*“How Can Asset Prices Value Exchange Rate Wedges?” with Edith X. Liu, 2021*

*“The U.S. Equity Listing Decline and the Aggregate Economy” with Fabio Ghironi, 2019.*

*ARTICLES by Topics:*

*1 Global Integration; 2 Disasters and Expectations; 3 Global Asset Pricing; 4 Macro and Policy*

*1-GLOBAL INTEGRATION*

*“How Can Asset Prices Value Exchange Rate Wedges?” with Edith X. Liu, 2021*

*“Changing Risk Exposures of Cross-listed Firms and Market Integration,” *Journal of International Money and Finance*, January 2017, 70: pp. 378-405.*

*“Evaluating International Consumption Risk Sharing Gains: An Asset Return View,” with Edith Liu, *Journal of Monetary Economics*, April 2015, 71: pp. 84-98.*

## 1-GLOBAL INTEGRATION (cont.)

"Global Stock Market Linkages Reduce Potential for Diversification," *Economic Letter*, Federal Reserve Bank of Dallas, Vol. 7, no. 2, February 2012.

"What Can Explain the Apparent Lack of International Consumption Risk-sharing?" *Journal of Political Economy*, reprinted in S.C.W. Eijffinger and J.J.H. Lemmen, eds. *International Financial Integration* (Edward Elgar Publishing Ltd), 2002.

"Why Do Stocks and Consumption Suggest Such Different Gains from International Risk-Sharing?" *Journal of International Economics*, October 2000, 52: 1-36.

"Trying to Explain Home Bias in Equities and Consumption," *Journal of Economic Literature*, June 1999, 37: 571-608.

"Are Countries with Official International Capital Restrictions 'Liquidity Constrained'?" *European Economic Review*, June 1997, 41: 1079-1109.

"Why Don't Domestic Residents Invest Abroad?" *London Financial Times, Mastering Finance Series*, June 16, 1997.

## 2- DISASTERS, RARE EVENTS AND EXPECTATIONS

"Disaster Risk and Asset Returns: An International Perspective," with Edith Liu, *Journal of International Economics*, May 2017, 108: pp. S42-S58.

"Differences of Opinion and International Equity Markets," with Bernard Dumas and Emilio Osambela, *Review of Financial Studies*, March 2017, 30: pp. 750-800.

"Peso Problem," *The New Palgrave Dictionary of Economics*, 2<sup>nd</sup> Edition, Steven N. Durlauf and Lawrence E. Blume, eds, (Palgrave-Macmillan: New York), 2008.

"Does Foreign Exchange Intervention Signal Future Monetary Policy?" (joint with Graciela Kaminsky), *Journal of Monetary Economics*, April 1996, 37: 285-312.

"Stochastic Regime Switching and Stabilizing Interventions within Regimes," *International Journal of Finance and Economics*, April 1996.

"Occasional Interventions to Target Rates," *American Economic Review*, Sept 1995, 85: 691-715.

"Do Long-Term Swings in the Dollar Affect Estimates of the Risk Premium?" (joint with Martin Evans) *Review of Financial Studies*, Sept 1995, 8, 709-742.

"Do Expected Shifts in Inflation Affect Estimates of the Long-Run Fisher Relation?" (joint with Martin Evans), *Journal of Finance*, March 1995, 50: 225-253.

## 2- DISASTERS, RARE EVENTS AND EXPECTATIONS (cont.)

"Do Stationary Risk Premia Explain It All? Evidence from the Term Structure," (joint with Martin Evans), *Journal of Monetary Economics*, April 1994, 33: 285-318.

"El Proceso de Aprendizaje en los Regimenes Cambiarios (The Learning Process in Changing Regimes)," *Cuadernos Economicos* (Informacion Comercial Espanola, Madrid), 1993/1, 53: 77-93.

"Learning About Intervention Target Zones," (joint with Michael Klein), *Journal of International Economics*, December 1993, 35: 275-295.

"Trends in Excess Returns in Currency and Bond Markets," (joint with Martin Evans), *European Economic Review*, June 1993, 37: 1005-1020.

"Peso Problem", in J. Eatwell, M. Milgate, and P. Newman, eds.: *The New Palgrave Dictionary of Money and Finance* (Macmillan Press, London), 1992.

"Was There a 'Peso Problem' in the U.S. Interest Rate Term Structure: 1979-1982?" *International Economic Review*, February 1991, 32: 159-173.

"Changing Beliefs and Systematic Rational Forecast Errors with Evidence from Foreign Exchange," *American Economic Review*, September 1989, 79: 621-636.

"Can Learning Affect Exchange Rate Behavior? The Case of the Dollar in the Early 1980's," *Journal of Monetary Economics*, January 1989, 23: 79-100.

"The Persistence of the 'Peso Problem' When Policy is Noisy," *Journal of International Money and Finance*, March 1988, 7: 5-21.

## 3-GLOBAL ASSET PRICING

"Who Holds Sovereign Debt and Why It Matters" with Bryan Hardy and Xiang Fang, 2022.

"How Can Asset Prices Value Exchange Rate Wedges?" with Edith X. Liu, 2021

"Global Asset Pricing," *Annual Review of Financial Economics*, Vol. 3: pp. 435-466, 2011.

"Peso Problem," *The New Palgrave Dictionary of Economics*, 2<sup>nd</sup> Edition, Steven N. Durlauf and Lawrence E. Blume, eds, (Palgrave-Macmillan: New York), 2008.

"Trying to Explain Home Bias in Equities and Consumption," *Journal of Economic Literature*, June 1999, 37: 571-608.

"What Can Explain the Apparent Lack of International Consumption Risk-Sharing?" *Journal of Political Economy*, April 1996, 104: 267-297.

### 3-GLOBAL ASSET PRICING (cont.)

"Do Long-Term Swings in the Dollar Affect Estimates of the Risk Premium?" (joint with Martin Evans) *Review of Financial Studies*, Sept 1995, 8, 709-742.

"Do Expected Shifts in Inflation Affect Estimates of the Long-Run Fisher Relation?" (joint with Martin Evans), *Journal of Finance*, March 1995, 50: 225-253.

"Puzzles in International Financial Markets," in G. Grossman and K. Rogoff, eds. *Handbook of International Economics* (North Holland: Amsterdam), 1995.

"Trends in Excess Returns in Currency and Bond Markets," (joint with Martin Evans), *European Economic Review*, June 1993, 37: 1005-1020.

"Peso Problem", in J. Eatwell, M. Milgate, and P. Newman, eds.: *The New Palgrave Dictionary of Money and Finance* (Macmillan Press, London), 1992.

"Should the Holding Period Matter in Tests of the Intertemporal Consumption-based CAPM?" *Journal of Monetary Economics*, December 1991, 28: 365-389.

"An Empirical Exploration of Exchange Rate Target-Zones: Comment," *Carnegie-Rochester Conference on Public Policy*, Fall 1991, 35: 67-78.

"The Behavior of Eurocurrency Returns Across Different Holding Periods and Monetary Regimes," *Journal of Finance*, September 1990, 45: 1211-1236.

"Inflation Risk and Asset Market Disturbances," *Journal of International Money and Finance*, September 1988, 7: 273-288.

"Testing the Portfolio Balance Model: A Multi-Lateral Approach," *Journal of International Economics*, February 1988, 24: 107-127.

### 4-MACROECONOMICS AND POLICY

"Who Holds Sovereign Debt and Why It Matters" with Bryan Hardy and Xiang Fang, 2022.

"The U.S. Equity Listing Decline and the Aggregate Economy" with Fabio Ghironi, 2019.

"Expenditure Switching and Exchange Rate Policy: A Comment," *NBER Macroeconomics Annual*, (National Bureau of Economic Research, Cambridge, MA), 2003, 17: 272-280.

"Are Countries with Official International Capital Restrictions 'Liquidity Constrained'?" *European Economic Review*, June 1997, 41: 1079-1109.

"Does Foreign Exchange Intervention Signal Future Monetary Policy?" (joint with Graciela Kaminsky), *Journal of Monetary Economics*, April 1996, 37: 285-312.

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#### 4-MACROECONOMICS AND POLICY (cont.)

"Stochastic Regime Switching and Stabilizing Interventions within Regimes," *International Journal of Finance and Economics*, April 1996.

"Occasional Interventions to Target Rates," *American Economic Review*, Sept 1995, 85: 691-715.

"Are Foreign Exchange Intervention and Monetary Policy Related and Does It Really Matter?" *Journal of Business*, April 1995, 68: 185-214.

"Learning About Intervention Target Zones," (joint with Michael Klein), *Journal of International Economics*, December 1993, 35: 275-295.

"Why Doesn't Society Minimize Central Bank Secrecy?" *Economic Inquiry*, July 1991, 29: 403-415.

"Current Account and Fiscal Policy Adjustment in the EMS," in C. Wihlborg, M. Fratianni, and T. Willett, eds: *Financial Market Regulation and Monetary Arrangements after 1992*, (North Holland: Amsterdam), 1991.

"The Behavior of Eurocurrency Returns Across Different Holding Periods and Monetary Regimes," *Journal of Finance*, September 1990, 45: 1211-1236.

"On Occasional Monetary Policy Coordinations that Fix the Exchange Rate," *Journal of International Economics*, February 1989, 26: 139-155.

"Can Learning Affect Exchange Rate Behavior? The Case of the Dollar in the Early 1980's," *Journal of Monetary Economics*, January 1989, 23: 79-100.

"The Persistence of the 'Peso Problem' When Policy is Noisy," *Journal of International Money and Finance*, March 1988, 7: 5-21.

"Testing the Portfolio Balance Model: A Multi-Lateral Approach," *Journal of International Economics*, February 1988, 24: 107-127.

#### SELECTED GRANTS AND AWARDS

*Principal Investigator*, National Science Foundation Research Grant, "Assessing the Impacts of Global Financial Integration"; *Principal Investigator*, National Science Foundation Research Grant, "International Risk-Sharing"; *Principal Investigator*, National Science Foundation Research Grant, "Targeting Exchange Rates: An Empirical Investigation Using Recent Intervention Experience"; *Principal Investigator*, National Science Foundation Research Grant, "Changing Variances of Fundamentals and the Behavior of Returns"; *Olin Research Fellowship*, National Bureau of Economic Research, Cambridge, MA.