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Employment

Stephen M. Ross School of Business, University of Michigan
Assistant Professor of Finance, 2023–present

Education

Ph.D. Finance, UCLA Anderson School of Management, 2023
B.S. Economics, Massachusetts Institute of Technology, 2015

Research Interests

Banking, Fintech, Intangible Capital, Real Estate

Working Papers

1. [The Economics of Market-Based Deposit Insurance](#)

(with Shohini Kundu and Amiyatosh Purnanandam)

We examine the financial stability implications of deposit insurance using a recent financial innovation: reciprocal deposits. Banks can significantly increase deposit insurance coverage through the reciprocal deposit network, where they break up large deposits and place them with other banks in an offsetting manner. With almost \$450 billion in outstanding contracts under this arrangement, reciprocal deposits have become an important source of funding for the U.S. banking sector. Using network presence as an instrument, we show that enhanced insurance coverage allowed banks to retain deposits following the 2023 banking crisis. Network banks pay lower interest rates on their deposits, indicating depositors' willingness to accept lower rates for higher insurance access. Enhanced coverage also has implications for competition and bank risk-taking; we find evidence that network banks grow larger and increase their exposure to interest rate risk.

2. [The Digital Divide and Refinancing Inequality](#) (Job Market Paper)

Low-income households derive significantly less savings from mortgage refinancing than their wealthy counterparts. I document that the rise of refinancing inequality in the United States can be partially explained by the gap in access to modern information and communications technology. Using granular spatial variation of a large-scale broadband subsidy program, I show that high-speed internet facilitates refinancing activity and reduces monthly mortgage payments. These effects are large and persistent, corresponding to a 5 percent increase in disposable income and up to \$18,000 in total savings for low-income households. The growth of refinancing is pronounced in underserved areas with low access to bank branches and among populations that are likely to have low financial and digital literacy.

Publications

1. [Deposit Insurance Premiums and Bank Risk](#) (with Marcelo Rezende)

Review of Corporate Finance Studies, 2023, 12(2): pp. 291-325

Deposit insurance premiums impose costs on banks' balance sheets, narrowing profit margins and inducing banks to "search for yield." This paper estimates the effects of deposit insurance premiums on bank portfolio rebalancing using supervisory data and a kink in the insurance premium schedule. We show that deposit insurance premiums weaken banks' demand for reserves (a liquid asset with no credit

risk) and strengthen the supply of short-term interbank loans (a less liquid asset with credit risk). We discuss the implications of these findings for optimal deposit insurance pricing.

2. **Intangible Value** (with Andrea L. Eisfeldt and Dimitris Papanikolaou)

Critical Finance Review, 2022, 11(2): pp. 299-332

Intangible assets are absent from traditional measures of value despite their growing importance in firms' capital stocks. We propose a simple improvement to the classic Fama and French (1992, 1993) value factor that incorporates intangibles and addresses differences in accounting practices across industries. Our intangible value factor, HML^{INT} , prices assets as well as or better than the traditional value factor but yields substantially higher returns. This outperformance holds over the entire sample period, including in more recent decades during which value has underperformed. We show that the intangible value factor sorts more effectively within industries on productivity, profitability, financial soundness, and on other valuation ratios such as price-to-earnings.

3. **How Have Banks Been Managing the Composition of High-Quality Liquid Assets?**

(with Jane Ihrig, Cindy M. Vojtech, and Gretchen C. Weinbach)

Federal Reserve Bank of St. Louis Review, 2019, 101(3), pp. 177-201

Banks' liquidity management practices are fundamental to understanding the implementation and transmission of monetary policy. Since the Global Financial Crisis of 2007-09, these practices have been shaped importantly by the liquidity coverage ratio requirement. Given the lack of public data on how banks have been meeting this requirement, we construct estimates of U.S. banks' high-quality liquid assets (HQLA) and examine how banks have managed these assets since the crisis. We find that banks have adopted a wide range of HQLA compositions and show that this empirical finding is consistent with a risk-return framework that hinges on banks' aversion to liquidity and interest rate risks. We discuss how various regulations and business model choices can drive HQLA compositions in general, and connect many of the specific compositions we see to banks' own public statements regarding their liquidity strategies. Finally, we highlight how banks' preferences for the share of HQLA met with reserves affect the Fed's monetary policy implementation framework.

Conferences & Seminar Presentations (including scheduled)

2024: SFS Cavalcade (discussant), FIRS, WFA (discussant), LBS Summer Finance Symposium

2023: UCLA Anderson, Michigan Ross, Virginia Tech Pamplin, Treasury OFR, Rochester Simon, USC Marshall, Notre Dame Mendoza, Federal Reserve Board, Indiana Kelley, Penn State Smeal, FDIC, UC Irvine Merage, FIRS (discussant), SIF (discussant)

2022: UCLA Anderson

2021: UCLA Anderson

2020: SFS Cavalcade, FIRS (cancelled)

2018: UCLA Anderson

2017: Federal Reserve Board

Teaching

Michigan Ross, Instructor

Financial Management (BBA) 2024

UCLA Anderson, Teaching Assistant

Fintech (MBA) 2021, 2023

Foundations of Finance (EMBA, MBA) 2019, 2020, 2021, 2022

COVID-19, Real Estate, and the Capital Markets (MBA) 2020

Credit Markets (MFE) 2019

Real Estate Capital Markets and Securitization (EMBA) 2019

Fudan University, Teaching Assistant

Corporate Finance and Valuation (MFin) 2020, 2021, 2022, 2023

Financial Risk Management (MFin) 2019

Honors, Grants & Fellowships

Michigan Ross Faculty DEI Research Award 2024

Mitsui Life Financial Research Center Faculty Research Grant 2024

UCLA Xavier Drèze Prize for Best Ph.D. Student Research Paper 2023

UCLA Ziman Center Gilbert Doctoral Student Fellow 2022 - 2023

UCLA Ziman Center Research Grant 2021

UCLA Anderson Fellowship 2017 - 2021

UCLA Anderson Fink Center PhD Research Grant 2020

Honorable Mention (Economics), NSF Graduate Research Fellowship Program 2017

Special Achievement Award, Federal Reserve Board 2016

2nd Place, MIT Undergraduate Economics Association Award for Excellence in Writing 2015

Professional Experience

Referee Service:

Real Estate Economics, Journal of Financial and Quantitative Analysis

Administrative:

Faculty Recruiting Committee, Michigan Ross 2023 - 2024

Coordinator, UCLA Anderson PhD Student Seminar Series 2019 - 2021

Academic:

Research Assistant (Andrea Eisfeldt, UCLA Anderson) 2017 - 2019

Full-time Research Assistant, Federal Reserve Board 2015 - 2017

Research Assistant (Antoinette Schoar, MIT Sloan) 2014 - 2015

Research Assistant (Dave Donaldson, MIT Economics) 2010 - 2012

Other:

Military Service, Republic of Korea Army 2012 - 2013

Additional Information

Citizenship: United States, Republic of Korea

Software & Programming: Stata, R, SAS, MATLAB, Python

Languages: English (Fluent), Korean (Native), Chinese (Advanced)