

# YEONJOON LEE

Federal Reserve Bank of Richmond  
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## EMPLOYMENT

2020 – Present	Federal Reserve Bank of Richmond, Financial Economist
2009 – 2014	Morgan Stanley, Vice President
2007 – 2008	Deutsche Bank, Analyst

## EDUCATION

Ph.D., Economics, University of Texas at Austin, 2020  
Dissertation Title: *“Essays on Agency Problems”*  
M.S., Economics, University of Texas at Austin, 2016  
M.A., Economics, Seoul National University, 2008  
B.A., Economics, Seoul National University, Summa Cum Laude, 2006

## REFERENCES

Daniel Akerberg (Co-Chair) Department of Economics University of Texas at Austin 512-475-9538 daniel.akerberg@gmail.com	Eugenio Miravete (Co-Chair) Department of Economics University of Texas at Austin 512-232-1718 eugenio@eugeniomiravete.com
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Richard Lowery  
McCombs School of Business (Finance)  
University of Texas at Austin  
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## CITIZENSHIP

United States, South Korea (dual citizenship)

## RESEARCH FIELDS

Fields: Finance, Industrial Organization  
Sub-Fields: Household Finance, Banking

## HONORS, AWARDS, SCHOLARSHIPS, AND FELLOWSHIPS

2020	Outstanding Paper Award in Doctoral Student Papers, Southern Finance Association
2006 – 2008	Brain Korea 21 Scholarships, Seoul National University
2004 – 2006	Academic Scholarships, Seoul National University

## PROFESSIONAL ACTIVITIES

Conferences:  
November, 2020 Southern Finance Association, Palm Springs, CA (virtual)

October, 2020	Missouri Valley Economic Association, St. Louis, MO (virtual)
October, 2018	Midwest Econometrics Group Conference, University of Wisconsin, Madison, WI
July, 2018	Jerusalem Summer School of Economics, Hebrew University of Jerusalem, Jerusalem, Israel (poster)
June, 2018	Asian Meeting of the Econometric Society, Sogang University, Seoul, South Korea
Seminars:	
April, 2021	Sogang University, Seoul, South Korea (virtual)
February, 2020	Federal Reserve Bank of Richmond, Charlotte, NC
January, 2020	Korea Capital Market Institute, Seoul, South Korea

## PUBLICATIONS

### Peer Reviewed Publications

In Ho Lee and Yeon Joon Lee. 2008. "Learning and Herding: An Account of Hwang Woo-Suk Scandal," *Journal of Economic Theory and Econometrics* 19 (2), 77-94.

## WORKING PAPERS

“Financial Intermediaries and Agency Problems With and Without Vertical Incentives” (submitted)

I study agency problems between brokers and investors in the retail bond market. The presence of suitability or fiduciary regulations, which govern transactions in this setting, can lead to tensions for brokers between maximizing their own profit and acting in the best interests of their customers. This paper measures the degree to which these conflicting incentives influence brokers by examining the U.S. reverse convertible bond market. While brokers do consider the profits of investors when making decisions, I estimate that their own profits are roughly three times more important, suggesting the existence of severe agency problems that reduce consumer welfare. Moreover, despite "arms-length transaction" regulations requiring that vertical relationships do not influence broker activities, I show that brokers are sensitive to the markups of their vertically integrated upstream firms. Counterfactual analysis shows that vertical incentives also reduce consumer surplus, although to a smaller degree than the agency costs.