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Research Fields Macroeconomics, Fiscal and Monetary Policy, Applied/Theoretical Macroeconometrics

References

Evi Pappa, <i>Full Professor</i> <i>Universidad Carlos III Madrid</i> ppappa@eco.uc3m.es +34 916 249 623	Leonardo Melosi, <i>Economic Advisor</i> <i>Federal Reserve Bank of Chicago</i> leonardo.melosi@chi.frb.org +1 312 322 4758
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Placement contacts

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Education

European University Institute , Italy PhD Candidate in Economics (expected completion in May 2023) Thesis title: Essays in Macroeconomics Advisors: Evi Pappa and Leonardo Melosi	2017 – present
European University Institute , Italy Master of Research in Economics	2016 – 2017
Barcelona Graduate School of Economics , Spain Master of Science in Economics and Finance, Program in Economics Advisor: José-Luis Peydró	2013 – 2014
University of Sussex , United Kingdom Bachelor of Science in Economics – First Class (Honours) Advisors: Malgorzata Sulimierska and Robert Eastwood	2010 – 2013

Job Market Paper

Consumer of Last Resort: Government procurement, firm level evidence and the macro-economy

Public spending has been shown to stimulate private consumption and aggregate output. Less is known about the extent to which public demand and procurement markets can affect individual firms, particularly their financial stability and resilience to shocks, and can re-balance risks across businesses in the economy. In this paper, I focus on these issues and investigate them both empirically and theoretically. To do so, I first build a novel database with firm-level data on US government procurement programs and establish the unpredictability of competitive contracts through an event study. I then explore the effects of procurement contracts on firms' balance sheets and find a significant positive impact on winning firms' sales, profits and investments. I contribute to the literature by showing that public procurement can dampen perceived uncertainty and volatility associated with the firm in times of stringent financial conditions. I generalise and confirm my empirical findings in a general equilibrium model with two types of firms, contractors and outsiders. Using the theoretical model, I provide a deeper understanding of the design of procurement markets and their interplay with public policies to balance uncertainty and risks across firms.

Working Papers

Striking a bargain: narrative identification of wage bargaining shocks, with Mario Porqueddu and Andrej Sokol *ECB Working Paper Series No 2602*.

We quantify the effects of wage bargaining shocks on macroeconomic aggregates using a structural vector autoregression model for Germany. We identify exogenous variation in bargaining power from episodes of minimum wage introduction and industrial disputes. This narrative information disciplines the impulse responses to a wage bargaining shock of unemployment and output, and sharpens inference on the behaviour of other variables. The implied transmission mechanism is in line with the theoretical predictions of a large class of search and matching models. We also find that wage bargaining shocks explain a sizeable share of aggregate fluctuations in unemployment and inflation, that their pass-through to prices is very close to being full, and that they imply plausible dynamics for the vacancy rate, firms' profits, and the labour share.

Impact of higher capital buffers on banks' lending and risk-taking: evidence from the euro area experiments, with Giuseppe Cappelletti, Aurea Ponte Marques, Paolo Varraso and Jonas Peeters *ECB Working Paper Series No 2292*.

Work in Progress

A structural analysis of professional forecasts: judgement, disagreement and cross-country differences with Federica Brenna

Reevaluation of Time-Varying parameters model: Monte-Carlo study with Fabio Canova

Household Deleveraging and Unemployment

Work experience

PhD Trainee in Prices and Costs division at European Central Bank 2019 – 2020

- Developed research projects for inflation monitoring using macroeconometric models

Research Analyst in Macro-Financial Policies division at European Central Bank 2015 – 2016

- Involved in preparing internal publications, monitoring current policies and providing a comprehensive view on the macroprudential stance in Euro-Area countries
- Data support to the OMRTF taskforce – DSGE WS: production of bank level database to implement the 3D project to all SSM countries

Trainee in Monetary Policy Strategy division at European Central Bank 2014 – 2015

- Analysis of macroeconomic impact of ECB balance sheet expansion using ECB balance sheet data and Bayesian VAR estimations
- Data management support to the production of presentations, briefing notes, policy assessments and other publications

Intern in Bureau of Economic Research at Narodowy Bank Polski / Central Bank of Poland 2014

Consultant in International Trade Unit team at World Bank 2014

Intern at SEB bankas 2011

Teaching experience	Teaching Assistant for PhD course “Time Series Econometrics” to Juan J. Dolado, European University Institute	Winter 2018 Winter 2019
	Lecturer for “International Macroeconomics” at the Brussels Diplomatic Academy, Free University of Brussels (VUB)	Fall 2018
	Certificate in “Introduction to Teaching in Higher Education”, European University Institute	Summer 2018
	Teaching Assistant for “Applied Statistics for Economics and Finance”, University of Sussex	Summer 2013
	Teaching Assistant for “Financial Strategic Planning”, University of Sussex	Summer 2013

Awards	Adam Smith doctoral fellowship in Economics, European University Institute	2016
	The Economics Dissertation Prize, University of Sussex	2013
	The Economics Single Honours Prize, University of Sussex	2013

Skills **Software:** Matlab, Julia, STATA, Dynare, RISE, SQL, Python (basic), L^AT_EX, Git, MS Office
Languages: English (fluent), Lithuanian (native)

(updated October 2022, Latest Version)