# CARA BORDIER

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## RESEARCH INTERESTS

International Finance, Financial Intermediation, Market Microstructure, Central Banking

## EDUCATION

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| 09.2023 – today | **Swiss Finance Institute at the University of St. Gallen, St. Gallen, Switzerland**<br>Ph.D. in Finance<br>Advisors: Angelo Ranaldo, Matthias Weber<br>Dissertation Title: *Essays on financial market frictions and exchange rates* |
| 09.2020 – 06.2022 | **University of St. Gallen, St. Gallen, Switzerland**<br>M.A. Quantitative Economics and Finance, GPA: 5.63 (max: 6)<br>Master's Certificate in Managing Climate Solutions, GPA: 5.60 (max: 6) |
| 01.2022 – 05.2022 | **Paris School of International Affairs (SciencesPo), Paris, France**<br>Exchange semester |
| 09.2016 – 08.2019 | **University of St. Gallen, St. Gallen, Switzerland**<br>B.A. Economics, GPA: 5.52 (max: 6) |

## ACADEMIC AND POLICY EXPERIENCE

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| 01.2026 – 03.2026 | **Financial Stability Policy, Monetary & Economic Department, Bank for International Settlements, Basel, Switzerland**<br>Technical advisor |
| 08.2024 – today | **Chair of Finance and Financial Economics, University of Basel, Basel, Switzerland**<br>Ph.D. candidate, research and teaching assistant |
| 09.2023 – 10.2024 | **Chair of Finance and Systemic Risk, University of St. Gallen, St. Gallen, Switzerland**<br>Ph.D. candidate, research and teaching assistant |
| 07.2022 – today | **Money Market and Foreign Exchange, Swiss National Bank, Zurich, Switzerland**<br>External advisor for research collaboration (2024 – today)<br>Intern (2022 – 2024) |
| 06.2021 – 06.2022 | **Institute of Economics (FGN-HSG), University of St. Gallen, St. Gallen, Switzerland**<br>Research and teaching assistant |
| 10.2019 – 05.2021 | **Swiss Institute for Empirical Economic Research, University of St. Gallen, St. Gallen, Switzerland**<br>Research assistant |

## AWARDS

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| 2026 | **Best Ph.D. Poster Award**, International Finance Society Annual Meeting<br>For the paper titled "The Term Structure of Dollar Funding", joint with Angelo Ranaldo and Andreas Schrimpf |
| 2025 | **Best Discussant Award**, Swiss Finance Institute Research Days |
| 2024 | **Best Master's Thesis in Economics**, University of St. Gallen<br>For my thesis titled "Incentivising innovation in the green energy sector: The impact of carbon taxes and R&D expenditure" |

## WORK IN PROGRESS

***Dollar Dominance: A Source of Dollar Volatility?*** with Lukas Frei and Simon Stalder – SSRN link

The US dollar (USD) is involved in 88% of global foreign exchange transactions, partly due to its role as a vehicle currency. Using high-frequency data from primary interdealer platforms, we develop a novel methodology to identify USD cross-trades. We show both theoretically and empirically that such trades can generate price fluctuations in USD exchange rates. Employing an instrumental variables approach, we find that increased cross-trading activity amplifies aggregate USD volatility. These results highlight a fundamental trade-off: while dollar dominance enhances market liquidity, it also increases the currency's exposure to shocks originating in other currency pairs.

***The Term Structure of Dollar Funding*** with Angelo Ranaldo and Andreas Schrimpf

We document a term structure in covered interest parity (CIP) deviations: the premium paid for synthetic USD borrowing via FX swaps increases with maturity across major currency pairs. We develop a model with preferred-habitat investors and constrained dealer-bank intermediation in which banks engage in a maturity-transformation trade—the CIP carry trade—by lending USD in long-tenor FX swaps and funding these positions through short-tenor USD borrowing. The model predicts a non-flat CIP term structure arising from dealer-bank maturity transformation and constrained intermediation. Using novel daily data on FX swap positions and flows, we show that dealer banks maintain tenor mismatches of several hundred billion USD and provide evidence that exogenous demand shocks propagate across maturities through dealer intermediation. Our findings suggest that FX swap markets perform an important maturity-transformation function with potential implications for financial stability.

## TEACHING

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| Fall 2025, 2026 | **Finance (Master)**, University of Basel, Switzerland<br>Head teaching assistant (incl. course design), seminars<br>Student course evaluation: 5.5 (max: 6) |
| Spring 2025 | **Financial Markets Theory (Bachelor)**, University of Basel, Switzerland<br>Seminars |
| Fall 2023 | **Quantitative Methods (Master)**, University of St. Gallen<br>R tutorials |

## PRESENTATIONS

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| 2026 | International Finance Society Annual Meeting, BIS Research Meeting, University of St. Gallen GPEF PhD Workshop, EFA *(upcoming)*, 21st Central Bank Conference on Microstructure *(upcoming)* |
| 2025 | Swiss National Bank Brown Bag Seminar, SFI Research Days, University of St. Gallen GPEF PhD Workshop, University of Basel PhD Workshop |