

Mini Course on the Global Financial Cycle

CES Lecture, Munich

Chris Boehm

February 2, 2026

Administrative Details

Course:	The Global Financial Cycle
Instructor:	Christoph Boehm (cboehm@utexas.edu)
Location:	CES, Schackstr. 4, 2nd floor, seminar room (214)
Meeting Times:	Tuesday, 14/04/2026, 10:15 – 11:45 Wednesday, 15/04/2026, 14:15 – 15:45 Wednesday, 22/04/2026, 14:15 – 15:45

Course description

This part of the course offers an introduction to the Global Financial Cycle. The course objective is (i) to explain the backdrop, motivation, and relevance of this topic, (ii) to discuss the key empirical facts and findings in the literature, and (iii) to review important theoretical models and mechanisms in the literature. The course will also link the Global Financial Cycle to related topics, notably features of the international monetary system.

Readings and Exercises

There will be reading assignments that complement the discussion in class. In addition, there will be exercises that require simple data work and practice problems.

Outline of Topics

1. Introduction: Motivation, Overview, and Facts

Readings: Rey (2013), Miranda-Agrippino and Rey (2022, Sections 1–2)

2. A Brief Introduction to the International Monetary System

Readings: Gourinchas, Rey, and Sauzet (2019)

3. Drivers of the Global Financial Cycle

Readings: Miranda-Agrippino and Rey (2020), Boehm and Kroner (2025)

4. Models and Mechanisms

Readings: Miranda-Agrippino and Rey (2022, Section 5), Adrian and Shin (2014), Bruno and Shin (2015), Jiang, Krishnamurthy, and Lustig (2024), Kekre and Lenel (2024)

References

- Adrian, Tobias and Hyun Song Shin. 2014. “Procyclical leverage and value-at-risk.” *The Review of Financial Studies* 27 (2):373–403.
- Boehm, Christoph E and T Niklas Kroner. 2025. “The U.S., Economic News, and the Global Financial Cycle.” *The Review of Economic Studies* 93 (1):215–249.
- Bruno, Valentina and Hyun Song Shin. 2015. “Cross-border banking and global liquidity.” *The Review of Economic Studies* 82 (2):535–564.
- Gourinchas, Pierre-Olivier, Hélène Rey, and Maxime Sauzet. 2019. “The international monetary and financial system.” *Annual Review of Economics* 11:859–893.
- Jiang, Zhengyang, Arvind Krishnamurthy, and Hanno Lustig. 2024. “Dollar Safety and the Global Financial Cycle.” *The Review of Economic Studies* 91 (5):2878–2915.
- Kekre, Rohan and Moritz Lenel. 2024. “The Flight to Safety and International Risk Sharing.” *American Economic Review* 114 (6):1650–91.
- Miranda-Agrippino, Silvia and Helene Rey. 2022. “The Global Financial Cycle.” In *Handbook of International Economics: International Macroeconomics, Volume 6, Handbook of International Economics*, vol. 6, edited by Gita Gopinath, Elhanan Helpman, and Kenneth Rogoff. Elsevier, 1–43.
- Miranda-Agrippino, Silvia and Hélène Rey. 2020. “US Monetary Policy and the Global Financial Cycle.” *The Review of Economic Studies* 87 (6):2754—2776.
- Rey, Helene. 2013. “Dilemma not trilemma: the global cycle and monetary policy independence.” Proceedings - Economic Policy Symposium - Jackson Hole, Federal Reserve Bank of Kansas City.