

The Clearing House Announces New Head and Deputy Head of Its Research Department

Federal Reserve Senior Economists to Bolster TCH's Data Driven Advocacy

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Washington D.C. – March 1, 2016 – The Clearing House has hired two former senior Federal Reserve economists to lead its research efforts. Dr. William R. Nelson will become Head of Research and Chief Economist on March 7th and Dr. Francisco Covas joined TCH in February as Deputy Head of Research. Dr. Nelson most recently served as a Deputy Director of the Division of Monetary Affairs at the Federal Reserve Board; Dr. Covas was an Assistant Director in Monetary Affairs.

“Today’s announcement is a pivotal moment for The Clearing House and its ability to serve as a source of respected industry research,” said Greg Baer, President of The Clearing House Association. “The Clearing House prides itself on taking a fact-based, data driven approach to help articulate the costs and benefits of financial regulation, and there are few economists as well qualified to lead that work as Bill and Francisco.”

“I am excited to join an organization that has such an outstanding reputation for high quality research and analysis, and I hope to uphold that tradition,” said Dr. Nelson. “The Clearing House has earned the respect of regulators and policymakers as a strong and credible voice on bank regulation.”

“I am confident that Bill’s and Francisco’s experience and depth of knowledge will prove to be invaluable as we continue our work to engage with policymakers, regulators, and academics to provide strong, credible analysis and research that helps shape and inform balanced bank regulatory policy that promotes both the resilience of the banking system and strength and growth of our economy,” added Jeremy Newell, General Counsel of The Clearing House Association.

The Clearing House research department strives to be the banking industry’s leading source for quantitative insights on banking and payments policy. In leading this effort, Dr. Nelson and Dr. Covas will oversee the production of high quality research and analytics for policymakers, regulators, academics, and the public. They will lead issue-specific empirical studies, monitor regulatory

implementations and other industry trends, and participate in academic debate regarding the effects of regulation on the industry and the economy.

As a Deputy Director of the Division of Monetary Affairs, Dr. Nelson's responsibilities included monetary policy strategy, tactics and communication; discount window and lender-of-last-resort policy; and contributions to financial stability analysis including as the first chief of the Monetary and Financial Stability section within the division. He regularly attended Federal Open Market Committee meetings and occasionally briefed the committee. Serving nearly 25 years at Federal Reserve Board, Dr. Nelson also worked on supervisory and regulatory issues: he served as a member of the Large Institution Supervision Coordinating Committee and the steering committee over the Federal Reserve's annual large bank liquidity assessment. Dr. Nelson also served as co-chair of the Basel working group on regulatory change and monetary policy and spent a year seconded to the Bank for International Settlements. He has been chair or member of five BIS working groups on liquidity regulations. He received his Ph.D. in Economics from Yale University in 1999.

Similarly, Dr. Covas has extensive experience in monetary policy, regulation and supervision. Most recently as an Assistant Director in Monetary Affairs, he supervised a team focused on the effects of bank regulation on monetary policy. Before taking that role, he was an economist within the Board's Banking Supervision & Regulation group, focusing on a range of capital, liquidity and other regulatory initiatives. He has written extensively on liquidity rules, capital regulation and stress testing.

Dr. Covas received his PhD in economics from the University of California at San Diego in 2004. He has served as an adjunct professor at Johns Hopkins University and Georgetown University, and worked within the central banks of both Portugal and Canada before he joined the Federal Reserve.

About The Clearing House. The Clearing House is a banking association and payments company that is owned by the largest commercial banks and dates back to 1853. The Clearing House Payments Company L.L.C. owns and operates core payments system infrastructure in the United States and is currently working to modernize that infrastructure by building a new, ubiquitous, real-time payment system. The Payments Company is the only private-sector ACH and wire operator in the United States, clearing and settling nearly \$2 trillion in U.S. dollar payments each day, representing half of all commercial ACH and wire volume. Its affiliate, The Clearing House Association L.L.C., is a nonpartisan organization that engages in research, analysis, advocacy and litigation focused on financial regulation that supports a safe, sound and competitive banking system.