11th Annual Bank Research Conference: Risk Management: Lessons from the Crisis

Sponsored by the Federal Deposit Insurance Corporation's Center for Financial Research and the Journal of Financial Services Research

September 16-17, 2011

L. William Seidman Center
Hove Auditorium
3501 Fairfax Drive
Arlington, Virginia

Program Committee:
Alex Edmans, Paul Kupiec, Christopher James, George Pennacchi, Mitchell Petersen, Anjan Thakor, Chester Spatt, Stuart Turnbull and Haluk Ünal

Friday, September 16, 2011

8:30-8:55 **- Registration & Continental Breakfast -**

8:55 **Opening Remarks**

9:00-10:00 **Keynote Address: Collateral Crises,** Gary B. Gorton, Yale University
- Presentation - PDF

10:00-10:30 **- Coffee Break -**

10:30-12:00 **Government Support and Bank Behavior**
Session Chair and Discussant: Christopher M. James, University of Florida
- Presentation - PDF

Bank Risk Taking and Liquidity Creation Following Regulatory Interventions and Capital Support - PDF
Allen N. Berger, University of South Carolina
Christa H.S. Bouwman, Case Western Reserve University
Thomas Kick, Deutsche Bundesbank
Klaus Schaeck, Bangor Business School
- Presentation - PDF

The Effect of TARP on Bank Risk-Taking - PDF
Lamont Black, Board of Governors of the Federal Reserve System
Lieu Hazelwood, Board of Governors of the Federal Reserve System
- Presentation - PDF 1MB

Safer Ratios, Riskier Portfolios: Banks' Response to Government Aid - PDF
Ran Duchin, University of Michigan Denis Sosyura, University of Michigan
- Presentation - PDF

12:00-1:00 **- Lunch -**

1:00-2:30 **Measuring Systemic Risk**
Session Chair and Discussant: George G. Pennacchi, University of Illinois

Presentation - PDF

Measuring and Testing for the Systemically Important Financial Institutions
Carlos Castro, Universidad del Rosario, Colombia
Stijn Ferrari, National Bank of Belgium
Presentation - PDF

Banks' Non-Interest Income and Systemic Risk
Markus Brunnermeier, Princeton University
Gang Dong, Rutgers University
Darius Palia, Rutgers University
Presentation - PDF

Measuring Systemic Risk and Assessing Systemic Importance in Global and Regional Financial Markets Using the ESS-Indicator - PDF 4.79MB
Wolfgang Lahmann, Technische Universitaet München
Christoph Kaserer, Technische Universitaet München
Presentation - PDF 1.65MB

2:30-3:00 **- Coffee Break -**

3:00-4:30 **Bank Lending During the Crisis**
Session Chair and Discussant: Paolo A. Fulghieri, University of North Carolina
Presentation - PDF

Risk Overhang and Loan Portfolio Decisions: The Supply of Small Business Loans Before and During the Financial Crisis
Robert DeYoung, University of Kansas
Anne Gron, NERA Economic Consulting
Gokhan Torna, University of Kansas
Andrew Winton, University of Minnesota
Presentation - PDF

The Cross-Market Spillover of Economic Shocks through Multi-Market Banks - PDF
Jose Berrospide, Board of Governors of the Federal Reserve System
Lamont Black, Board of Governors of the Federal Reserve System
William Keeton, Federal Reserve Bank of Kansas City
Presentation - PDF

Capital Ratios and Bank Lending: A Matched Bank Approach
Mark Carlson, Board of Governors of the Federal Reserve System
Hui Shan, Goldman Sachs
Missaka Warusawitharana, Board of Governors of the Federal Reserve System
Presentation - PDF

5:00-6:00 **- Reception -**

Saturday, September 17, 2011

8:30-9:00AM **-- Continental Breakfast --**

9:00-10:00 **Bank Performance During the Crisis**
Session Chair and Discussant: Gregory F. Udell, Indiana University
Presentation - PDF

This Time Is the Same: Using Bank Performance in 1998 to Explain Bank Performance During the Recent Financial Crisis - PDF
Rüdiger Fahlenbrach, Ecole Polytechnique Fédérale de Lausanne (EPFL)
Robert Prilmeier, Ohio State University
René Stulz, Ohio State University
Presentation - PDF

Safety-Net Benefits Conferred on Difficult-to-Fail-and-Unwind Banks in the US and EU Before and During the Great Recession - PDF
Santiago Carbo-Valverde, University of Granada, Spain
Edward J. Kane, Boston College
Francisco Rodriguez-Fernandez, University of Granada, Spain
Presentation - PDF

10:00-10:30 **-- Coffee Break --**

10:30-12:00 **Limits to Regulation?**
Session Chair and Discussant: Anjan Thakor, Washington University in St. Louis
Presentation - PDF

Capital Regulation and Tail Risk (ssrn.com)
Enrico C. Perotti, University of Amsterdam and CEPR
Lev Ratnovski, International Monetary Fund
Razvan Vlahu, De Nederlandsche Bank
Presentation - PDF

Bailouts, Contagion, and Bank Risk-Taking
Giovanni Dell 'Ariccia, International Monetary Fund and CEPR
Lev Ratnovksi, International Monetary Fund
Presentation - PDF

Regulatory Capture and Banking Supervision Reform
Pierre C. Boyer, University of Mannheim
Jorge Ponce, Banco Central del Uruguay

12:00-1:00 **- Lunch -**

1:00-2:30 **Executive Compensation and Bank Risk**
Session Chair and Discussant: Michael W. Faulkender, University of Maryland
Presentation - PDF 1MB

Bankers' Pay Structure and Risk - PDF
John Thanassoulis, University of Oxford
Presentation - PDF

CEO Bonus Compensation and Bank Default Risk: Evidence from the US and Europe
Jens Hagendorff, The University of Edinburgh
Francesco Vallascas, University of Leeds

Nonlinear Incentives and Mortgage Officers' Decisions - PDF
Konstantinos Tzioumis, Office of the Comptroller of the Currency
Matthew Gee, University of Chicago

Presentation - PDF

2:30-3:00 **- Coffee Break -**

3:00 - 4:30 **Information Content in CDS Spreads**

Session Chair and Discussant: Rohan G. Williamson, Georgetown University

Presentation - PDF

Did CDS Trading Improve the Market for Corporate Bonds?

Sanjiv Das, Santa Clara University
Madhu Kalimipalli, Wilfrid Laurier University
Subhankar Nayak, Wilfrid Laurier University

Presentation - PDF 1.4MB

Banks' Use of Credit Derivatives and the Pricing of Loans: What is the Channel and Does It Persist Under Adverse Economic Conditions? (ssrn.com)

Lars Norden, Erasmus University
Consuelo Silva Buston, Tilburg University
Wolf Wagner, Tilburg University

Presentation - PDF

Credit Spread Interdependencies of European States and Banks during the Financial Crisis - PDF

Adrian Alter, University of Konstanz
Yves Stephan Schüler, University of Konstanz

Presentation - PDF