## **Incorporating Market Information into Financial Supervision**

A Working Conference Sponsored by the Federal Deposit Insurance Corporation and the

## Journal of Financial Services Research November 9, 2000

L. William Seidman Center Auditorium 3501 N. Fairfax Drive Arlington, VA 22226-3500

10/23/00

8:45	Greetings: Arthur Murton (FDIC) Haluk Unal ( <i>JFSR</i> , University of Maryland)
8:55	Setting the Stage: Some Thoughts on 'Market Discipline' Mark Flannery (University of Florida)
9:15	Session I: Using Data [20 minutes per speaker; 30 minutes audience participation]
	Sub-Debt Yield Spreads as Bank Risk Measures Douglas Evanoff (FRB Chicago) and Larry Wall (FRB Atlanta)
	Using Bond and Stock Markets to Monitor Bank Holding Companies: Is It Feasible?  Diana Hancock and Myron Kwast (Federal Reserve Board)
	<u>Discussant</u> : Anthony Saunders (NYU)
10:45	Coffee Break
11:00	Session II: Market Assessments of Value [20 minutes per speaker; 30 minutes audience participation]
	Do Markets React to Bank Examination Ratings? Evidence of Indirect Disclosure Linda Allen (Baruch College, CUNY), Julapa Jagtiani, and James Moser (FRB Chicago)
	Market Discipline of Banks: The Asset Test  Donald P. Morgan and Kevin J. Stiroh (FRB NY)

<u>Discussant</u>: George Pennacchi (University of Illinois)

12:30	Lunch (no speaker)
1:45	Session III: SND Abroad [20-minute presentation; 15-minute discussion; 15-min. audience participation]
	An Analysis of European Banks' SND Issues and Its Implications for the Design of a Mandatory Subordinated Debt Policy Andrea Sironi (Boconi University, Milan Italy)
	Discussant: Cem Karacadag (IMF)
2:35	Break
2:45	Session IV: Panel Discussion: Supervisor and Market Analysts: What should research be seeking?
	Ms. Eleanor Bloxham, banking consultant Mr. Timothy W. Long, Deputy Comptroller, Large Bank Supervision, OCC Professor Suresh Sundaresan, Columbia University
	[Three 20-minute presentations; audience discussion]
4:15	Final Comments from Audience Participants
4:30	Adjournment