



Virtual 95th Annual Conference Program – IBEFA Sessions

Saturday–Tuesday, June 27–30, 2020

All times refer to US Mountain Time - MDT (GMT+6)

[IBEFA1] WEAI27

Saturday, 6/27/2020 8:15–10:00 AM

Allied Society: IBEFA

CROSS-BORDER BANKS AND FIRMS

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Catherine Koch, Bank for International Settlements

Papers: *When A Flow Becomes A Flood: Capital Inflow Surges and Maturity Structure of Credit Allocation*

Xiang Li*, Halle Institute for Economic Research, Germany, and Dan Su, University of Minnesota Twin Cities

Cross-Border M&A and the Exchange Rate: Evidence from Switzerland

Michele Pelli*, University of Zurich and Swiss Finance Institute

Banking Across Borders: Are Chinese Banks Different?

Catherine Koch*, Bank for International Settlements, Eugenio Cerutti, International Monetary Fund, and

Swapan-Kumar Pradhan, Bank for International Settlements

Discussants: Catherine Koch, Bank for International Settlements

Xiang Li, Halle Institute for Economic Research, Germany

Michele Pelli, University of Zurich and Swiss Finance Institute

[IBEFA2] WEAI29

Saturday, 6/27/2020 8:15–10:00 AM

Allied Society: IBEFA

STRESS-TESTING AND RISK MANAGEMENT

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Jens H. E. Christensen, Federal Reserve Bank of San Francisco

Papers: *Stress Testing Effects on Portfolio Similarities Among Large U.S. Banks*

Falk Braeuning, Federal Reserve Bank of Boston, and Jose L. Fillat*, Federal Reserve Bank of Boston

Systemic Stress Testing under Central and Non-Central Clearing

Petros Katsoulis*, Cass Business School, Barbara Casu, University of London, and Elena Kalotychou, Cyprus University of Technology

Extrapolating Long-Maturity Bond Yields for Financial Risk Measurement

Jens H. E. Christensen*, Federal Reserve Bank of San Francisco, Jose A. Lopez, Federal Reserve Bank of San Francisco, and Paul Mussche, Federal Reserve Bank of San Francisco

Discussants: Jens H. E. Christensen, Federal Reserve Bank of San Francisco

Jose L. Fillat, Federal Reserve Bank of Boston

Petros Katsoulis, Cass Business School

* Presenter

[IBEFA3] WEA139

Saturday, 6/27/2020 10:15 AM–12:00 PM

Allied Society: IBEFA

LABOR AND FINANCE

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Filipe Correia, University of Illinois at Urbana-Champaign

Papers: *The Financial Channels of Labor Rigidities: Evidence from Portugal*

Edoardo Maria Acabbi*, Harvard University, Ettore Panetti, Banco de Portugal, and Sforza Alessandro, University of Bologna

Income Inequality and Bank Risk

Yuliyana Mitkov*, University of Bonn, and Ulrich Schuewer, Goethe Universität Frankfurt

Is Corporate Credit Risk Propagated to Employees?

Filipe Correia*, University of Illinois at Urbana-Champaign, Gustavo Cortes, University of Florida, and Thiago Christiano da Silva, Banco Central do Brasil

Discussant: Filipe Correia, University of Illinois at Urbana-Champaign

Edoardo Maria Acabbi, Harvard University

Yuliyana Mitkov, University of Bonn

[IBEFA4] WEA137

Saturday, 6/27/2020 10:15 AM–12:00 PM

Allied Society: IBEFA

TERM STRUCTURE AND EXPECTATIONS

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Asad Dossani, Colorado State University, Fort Collins

Papers: *(Un)Expected Monetary Policy Shocks and Term Premia*

Alexander Meyer-Gohde*, Goethe Universität Frankfurt, and Martin Kliem, Deutsche Bundesbank

The Safety Premium of Safe Assets

Jens H. E. Christensen*, Federal Reserve Bank of San Francisco, and Nikola Mirkov, Swiss National Bank

Risk, Return, and Inflation Expectations

Asad Dossani*, Colorado State University, Fort Collins

Discussants: Asad Dossani, Colorado State University, Fort Collins

Alexander Meyer-Gohde, Goethe Universität Frankfurt

Jens H. E. Christensen, Federal Reserve Bank of San Francisco

* Presenter

[IBEFA5] WEA168

Sunday, 6/28/2020 8:15–10:00 AM

Allied Society: IBEFA

LIQUIDITY REGULATION AND CENTRAL BANKS

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Carlos Eduardo van Hombreeck, Bank of England

Papers: *Reserve Requirements as a Financial Stability Instrument*

Carlos Cantu*, Bank for International Settlements, Rocio Gondo, Central Bank of Peru, and Berenice Martinez, Bank for International Settlements

Central Bank Independence and Systemic Risk

Alin Andries*, Alexandru Ioan Cuza University, Anca Podpiera, World Bank, and Nicu Sprincean, Alexandru Ioan Cuza University

The International Transmission of Liquidity Regulation

Carlos Eduardo van Hombreeck*, Bank of England, Dennis Reinhardt, Bank of England, Rhiannon Sowerbutts, Bank of England, and Stephen Reynolds, Bank of England

Discussants: Carlos Eduardo van Hombreeck, Bank of England

Carlos Cantu, Bank for International Settlements

Alin Andries, Alexandru Ioan Cuza University

[IBEFA6] WEA169

Sunday, 6/28/2020 8:15–10:00 AM

Allied Society: IBEFA

MORTGAGE MARKETS AND UNCERTAINTY

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Ozlem Dursun-de Neef, Goethe Universitat Frankfurt

Papers: *Credit Union and Bank Subprime Lending in the Great Recession*

Jordan van Rijn*, University of Wisconsin -- Madison

How Big is the Wealth Effect? Decomposing the Response of Consumption to House Prices

Ronel Elul*, Federal Reserve Bank of Philadelphia, Boragan Aruoba, University of Maryland, College Park, and Sebnem Kalemli-Ozcan, University of Maryland, College Park

Bank Concentration, Mortgage Lending and House Prices

Ozlem Dursun-de Neef*, Goethe Universitat Frankfurt

Discussants: Ozlem Dursun-de Neef, Goethe Universitat Frankfurt

Jordan van Rijn, University of Wisconsin -- Madison

Ronel Elul, Federal Reserve Bank of Philadelphia

* Presenter

[IBEFA7] WEAI89

Monday, 6/29/2020 8:15–10:00 AM

Allied Society: IBEFA

MONETARY POLICY SPILLOVERS

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Bryan Hardy, Bank for International Settlements

Papers: *The Effect of U.S. Stress Tests on Monetary Policy Spillovers to Emerging Markets*

Friederike Niepmann, Federal Reserve Board of Governors, Emily Liu, Federal Reserve Board, and Tim Schmidt-Eisenlohr*, Federal Reserve Board

Unconventional Monetary Policy, (A)Synchronicity and the Yield Curve

Karlye Dilts Stedman*, Federal Reserve Bank of Kansas City

Risk-Mitigating Effects of Being Prompt and Transparent

Seung Jung Lee*, Federal Reserve Board of Governors, Lucy Qian Liu, International Monetary Fund, and Viktors Stebunovs, Federal Reserve Board of Governors

Home Sweet Host: Prudential and Monetary Policy Spillovers through Global Banks

Stefan Avdjiev, Bank for International Settlements, Bryan Hardy*, Bank for International Settlements, and Patrick McGuire, Bank for International Settlements

Discussants: Bryan Hardy, Bank for International Settlements

Tim Schmidt-Eisenlohr, Federal Reserve Board

Karlye Dilts Stedman, Federal Reserve Bank of Kansas City

Seung Jung Lee, Federal Reserve Board of Governors

[IBEFA8] WEAI91

Monday, 6/29/2020 8:15–10:00 AM

Allied Society: IBEFA

FINANCIAL INNOVATION, SKIN IN THE GAME AND INCENTIVES

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Ronel Elul, Federal Reserve Bank of Philadelphia

Papers: *The Impact of Skin in the Game on Bank Behavior in the Securitization Market*

Martin Hibbeln*, University of Duisburg-Essen, and Werner Osterkamp, University of Duisburg-Essen

Technology Adoption, Market Structure, and the Cost of Bank Intermediation

Gianni De Nicolo, Johns Hopkins University, Andrea Presbitero, International Monetary Fund, Alessandro Rebucci, Johns Hopkins University, and Gang Zhang*, Cheung Kong Graduate School of Business

Production Of Information In The Credit Market: Evidence From A Public Intervention

Christophe Cahn, Banque de France, Mattia Girotti*, Banque de France, and Federica Salvade, PSB Paris School of Business

Concentration in Mortgage Markets: GSE Exposure and Risk-Taking in Uncertain Times

Ronel Elul*, Federal Reserve Bank of Philadelphia, Deeksha Gupta, Carnegie Mellon University, and David Musto, University of Pennsylvania

Discussants: Ronel Elul, Federal Reserve Bank of Philadelphia

Werner Osterkamp, University of Duisburg-Essen

Gang Zhang, Cheung Kong Graduate School of Business

Mattia Girotti, Banque de France

* Presenter

[IBEFA9] WEA1102

Monday, 6/29/2020 10:15 AM–12:00 PM

Allied Society: IBEFA

CREDIT SUPPLY AND RISK-TAKING

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Sigurd Galaasen, Norges Bank

Papers: *Forward Looking Loan Provisions: Credit Supply and RiskTaking*

Miguel Sarmiento*, Central Bank of Colombia, Bernardo Morais, Federal Reserve Board of Governors, Jose-Luis Peydro, Universitat Pompeu Fabra, and Monica Roa, Federal Reserve Board

Contagious Zombies

Christian Bittner*, Deutsche Bundesbank, Germany and Goethe University, Frankfurt, Falko Fecht, Frankfurt School of Finance & Management, and Co-Pierre Georg, Deutsche Bundesbank

Corporates' Dependence on Banks: The Impact of ECB Corporate Sector Purchases

Joost Bats*, Dutch Central Bank

Granular Credit Risk

Sigurd Galaasen*, Norges Bank, Rustam Jamilov, London Business School, and Ragnar Juelsrud, Norges Bank

Discussants: Sigurd Galaasen, Norges Bank

Miguel Sarmiento, Central Bank of Colombia

Christian Bittner, Deutsche Bundesbank, Germany and Goethe University, Frankfurt

Joost Bats, Dutch Central Bank

[IBEFA10] WEA1101

Monday, 6/29/2020 10:15 AM–12:00 PM

Allied Society: IBEFA

BANK CAPITAL AND MACROECONOMICS EFFECTS OF REGULATION

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Filippo Occhino, Federal Reserve Bank of Cleveland

Papers: *Bank Capital Requirements and Asset Prices: Evidence from the Swiss Real Estate Market*

Christoph Basten, University of Zurich, Olga Briukhova*, University of Zurich, and Michele Pelli, University of Zurich and Swiss Finance Institute

Mortgage Supply and Capital Regulation in a Low Interest Rate Environment

Yu Wu*, Ecole Polytechnique Federale de Lausanne, and Luisa Lambertini, Ecole Polytechnique Federale de Lausanne

Examining Macprudential Policy and Its Macroeconomic Effects: Some New Evidence

Soyoung Kim, Seoul National University, and Aaron N. Mehrotra*, Bank for International Settlements

The Macroeconomic Effects of the Tax Cuts and Jobs Act

Filippo Occhino*, Federal Reserve Bank of Cleveland

Discussants: Filippo Occhino, Federal Reserve Bank of Cleveland

Olga Briukhova, University of Zurich

Yu Wu, Ecole Polytechnique Federale de Lausanne

Aaron N. Mehrotra, Bank for International Settlements

* Presenter

[IBEFA11] WEA1134

Tuesday, 6/30/2020 8:15–10:00 AM

Allied Society: IBEFA

FINANCIAL REGULATION AND FRAGILITY

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Ettore Panetti, Banco de Portugal

Papers: *Reinforcing or Mitigating? The Role of Institutional Investors in the Recent Financial Crisis*

Destan Kirimhan*, University of South Carolina, Columbia

The Making of Financial Regulation: Voting on the U.S. Congress

Joao Rafael Cunha*, University of St Andrews

Loan Insurance, Market Liquidity, and Lending Standards

Martin Kuncil*, Bank of Canada, and Toni Ahnert, Bank of Canada

Temptation and Financial Fragility

Ettore Panetti*, Banco de Portugal

Discussants: Ettore Panetti, Banco de Portugal

Destan Kirimhan, University of South Carolina, Columbia

Joao Rafael Cunha, University of St Andrews

Martin Kuncil, Bank of Canada

[IBEFA12] WEA1132

Tuesday, 6/30/2020 8:15–10:00 AM

Allied Society: IBEFA

ECONOMICS OF PAYMENTS 1: PAYMENT CARD PRICING AND SECURITY

Organizer: Kim P. Huynh, Bank of Canada

Chair and Host: Kim P. Huynh, Bank of Canada

Papers: *Distributional Effects of Payment Card Pricing in Canada and the United States*

Marie-Helene Felt, Bank of Canada, Fumiko Hayashi, Federal Reserve Bank of Kansas City, and Joanna Stavins*, Federal Reserve Bank of Boston

An Application of the Tourist Test to Colombian Merchants

Carlos A. Arango*, Banco de la Republica de Colombia, and Yanneth Bentacourt, Banco de la Republica de Colombia

Fraud Exposure and Precautionary Credit Market Behavior

Ying Lei Toh*, Federal Reserve Bank of Kansas City, and Nathan E. Blascak, Federal Reserve Bank of Philadelphia

Discussants: Nathan E. Blascak, Federal Reserve Bank of Philadelphia

Fumiko Hayashi, Federal Reserve Bank of Kansas City

Carlos A. Arango, Banco de la Republica de Colombia

* Presenter

[IBEFA13] WEAI142

Tuesday, 6/30/2020 10:15 AM–12:00 PM

Allied Society: IBEFA

ECONOMICS OF PAYMENTS 2: ECONOMICS OF CRYPTOCURRENCIES

Organizer: Kim P. Huynh, Bank of Canada

Chair and Host: Maarten van Oordt, Bank of Canada

Papers: *Bitcoin's Micropayment Myth*

Fahad Saleh, McGill University, Sean Foley, University of Sydney, Kose John, New York University, and Franz Hinzen*, New York University

An Examination of the Cryptocurrency Pump and Dump Ecosystem

Tyler Moore*, University of Tulsa, JT Hamrick, University of Tulsa, and Farhang Rouhi, University of New Mexico

Why Fixed Costs Matter for Proof-of-Work Based Cryptocurrencies

Maarten van Oordt*, Bank of Canada, and Rodney Garratt, University of California, Santa Barbara

Who Adopts Crypto Assets in Japan? Evidence from the 2019 Financial Literacy Survey

Hiroshi Fujiki*, Chuo University

Discussants: Hiroshi Fujiki, Chuo University

Maarten van Oordt, Bank of Canada

Tyler Moore, University of Tulsa

Franz Hinzen, New York University

[IBEFA14] WEAI143

Tuesday, 6/30/2020 10:15 AM–12:00 PM

Allied Society: IBEFA

RISK AND INVESTMENTS

Organizer: Diana Bonfim, Banco de Portugal and Católica Lisbon

Chair and Host: Ricardo Barahona, Erasmus University Rotterdam

Papers: *Asymmetric Information Risk in FX Markets*

Fabricius Somogyi*, University of St.Gallen, and Angelo Ranaldo, University of St. Gallen

Procyclical Asset Management and Bond Excess Returns

Christophe Fricke*, Deutsche Bundesbank, Emanuel Moench, Deutsche Bundesbank, and Alexandru Barbu, London Business School

Fund Size and Managers' Risk-Shifting: Evidence from Fund Mergers

George Jiang, Washington State University Pullman, Ping McLemore, Federal Reserve Bank of Richmond, and Ao Wang*, Washington State University Pullman

Why Can't Investors Pick the Right Index Fund?

Ricardo Barahona*, Erasmus University Rotterdam

Discussants: Christophe Fricke, Deutsche Bundesbank

Fabricius Somogyi, University of St.Gallen

Ricardo Barahona, Erasmus University Rotterdam

Ao Wang, Washington State University Pullman

* Presenter