



*Bank of Japan, Center for Monetary Cooperation in Asia
and
Bank for International Settlements*

THIRD ANNUAL WORKSHOP OF THE ASIAN RESEARCH NETWORKS

**The international financial crisis:
Impact and policy lessons in Asia and the Pacific**

25 March 2010, Tokyo, Japan

24 March 2010, Wednesday

18:00 Welcome dinner hosted by the BIS

25 March 2010, Thursday

Financial Stability (FS) Network Workshop

08:45 – 09:00 Opening Remarks
Shinobu Nakagawa, Associate Director-General, CeMCoA, BOJ
Frank Packer, Head of Financial Stability & Markets for Asia & the Pacific, BIS

Session 1 Transmission of crisis

09:00 – 10:30 Chair: **Shinobu Nakagawa** (BOJ)

Paper 1: “Monetary Policy Effects on Liquidity Crunch in Late 2008: High-Frequency Model of Differentials between Swap-Implied Funding Costs and Money Market Rates”
Matthew S. Yiu (HKMA), Wai-Yip Alex Ho (HKMA and Boston University), Lu Jin (HKMA) and Joseph K. W. Fung (Hong Kong Baptist University and HKIMR)

Discussant: **Geun-Young Kim** (BOK)

Paper 2: “Global contagion of volatilities and volatility risk premia”
Yoshihiko Sugihara (BOJ)

Discussant: **Michael Davies** (RBA)

10:30 – 11:00 Coffee break

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Session 2	Liquidity risk
11:00 – 12:30	Chair: Hiroaki Kuwahara (BOJ)
Paper 3:	“A Liquidity Risk Stress-Testing Framework with Interaction Between Market and Credit Risks” Eric Wong and Cho-Hoi Hui (HKMA)
	Discussant: Naohiko Baba (BOJ)
Paper 4:	“Market Liquidity Risk as an Indicator of Financial Stability: The Case of Indonesia” Wimboh Santoso, Cicilia A. Harun , Taufik Hidayat and Hero Wonida (BI)
	Discussant: Leo Krippner (RBNZ)
12:30 – 14:00	LUNCH (Parallel business lunch for delegates of member institutions to provide feedback and suggestions on Asian Research FS Network)
Session 3	Macroprudential regulation
14:00 – 15:30	Chair: Eli Remolona (BIS)
Paper 5:	“Measuring Systemic Risk and Financial Linkages in the Thai Banking System” Rungporn Roengpitya and Phurichai Rungcharoenkitkul (BOT)
	Discussant: Haibin Zhu (BIS)
Paper 6:	“Capital management in Loan Loss Provisioning and the Business Cycle: Evidence from the Philippines” Danvee Floro (BSP)
	Discussant: Frank Packer (BIS)
15:30 – 16:00	Coffee break
Session 4	
16:00 – 18:00	Chair: Frank Packer (BIS)
Paper 7:	“Procyclical management of non-performing loans by the Indian public sector banks” B M Misra and Sarat Dhal (RBI)
	Discussant: Daniel Wang (MAS)

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16:45 – 17:55 Panel discussion on financial stability and market issues

Panelists: **Xuechun Zhang** (PBC)
Shinobu Nakagawa (BOJ)
Sungwon Lee (FSS, Korea)
Titanun Mallikamas (BOT)

17:55 – 18:00 Concluding Remarks
Shinobu Nakagawa (BOJ)

END

18:15 Conference Dinner hosted by the BOJ