

# Conference on the Interaction of Market and Credit Risk: Program (Preliminary)

6–7 December 2007, Berlin

Research Task Force of the Basel Committee on Banking Supervision and the  
*Journal of Banking & Finance*, hosted by the Deutsche Bundesbank

## Thursday, 6 December

- 8:30 – 9:00            Registration (Harnack Haus)
- 9:00 – 9:15            **Welcome Address by Hans Reckers (Deutsche Bundesbank)**
- Session 1            Banking and Securitization**
- 9:15 – 10:15          **Keynote address by E. Gerald Corrigan (Goldman Sachs)**
- 10:15 – 11:05          **Banking and Securitization**  
Wenying Jiangli (Federal Deposit Insurance Corporation)  
Matthew Pritsker (Federal Reserve Board)  
Peter Raupach (Deutsche Bundesbank)  
  
Discussant:    Deniz O. Igan (International Monetary Fund)
- 11:05 – 11:30          **Refreshments**
- Session 2            Integrated Modelling of Market and Credit Risk I**  
**Chair: Klaus Duellmann (Deutsche Bundesbank)**
- 11:30 – 12:10          **Regulatory Capital for Market and Credit Risk Interaction: Is Current  
Regulation Always Conservative?**  
Thomas Breuer (Fachhochschule Vorarlberg)  
Martin Jandacka (Fachhochschule Vorarlberg)  
Klaus Rheinberger (Fachhochschule Vorarlberg)  
Martin Summer (Oesterreichische Nationalbank)  
  
Discussant:    Simone Manganelli (European Central Bank)

- 12:10 – 13:00      **An Integrated Structural Model for Portfolio Market and Credit Risk**  
Paul H. Kupiec (Federal Deposit Insurance Corporation)  
  
Discussant:      Dan Rosen (Fields Institute for Research in Mathematical Sciences)
- 13:00 – 14:30      **Lunch**
- Session 3**                      **Integrated Modelling of Market and Credit Risk II**  
**Chair: Til Schuermann (Federal Reserve Bank of New York)**
- 14:30 – 15:20      **The Integrated Impact of Credit and Interest Rate Risk on Banks: An Economic Value and Capital Adequacy Perspective**  
Mathias Drehmann (European Central Bank)  
Steffen Sorensen (Bank of England)  
Marco Stringa (Bank of England)  
  
Discussant:      Jose A. Lopez (Federal Reserve Bank of San Francisco)
- 15:20 – 16:10      **An Economic Capital Model Integrating Credit and Interest Rate Risk**  
Piergiorgio Alessandri (Bank of England)  
Mathias Drehmann (European Central Bank)  
  
Discussant:      Norbert Jobst (DBRS), tbc
- 16:10 – 16:40      **Refreshments**
- 16:40 – 18:00      **Panel discussion**  
**Moderator: Myron Kwast (Federal Reserve Board)**
- 20:00                      **Conference Dinner (with Gerhard Hofmann, Deutsche Bundesbank)**

**Friday, 7 December**

- Session 4**
- Risk Measurement and Markets**
- Chair: Thilo Liebig (Deutsche Bundesbank)**
- 9:00 – 9:50 **A Value at Risk Analysis of Credit Default Swaps**  
Burkhard Raunig (Oesterreichische Nationalbank)  
Martin Scheicher (European Central Bank)  
Discussant: Alistair Milne (City University London)
- 9:50 – 10:40 **The Pricing of Correlated Default Risk: Evidence From the Credit Derivatives Market**  
Nikola Tarashev (Bank for International Settlements)  
Haibin Zhu (Bank for International Settlements)  
Discussant: David Lando (University of Copenhagen)
- 10:40 – 11:10 **Refreshments**
- 11:10 – 12:10 **Keynote Address by Hayne Leland (University of Berkeley)**
- Session 5A**
- Securitization, Regulation and Systemic Risk**
- Chair: Jan Pieter Krahnert (Goethe University Frankfurt), tbc**
- 12:10 – 13:00 **Determinants of Banks' Engagement in Loan Securitization**  
Christina E. Banner (Frankfurt School of Finance and Management)  
Dennis N. Hansel (Goethe University Frankfurt)  
Discussant: Gabriel Jimenez (Bank of Spain)
- 13:00 – 14:30 **Lunch**
- 14:30 – 15:20 **Solvency Regulation and Credit Risk Transfer**  
Vittoria Cerasi (Milano-Bicocca University)  
Jean-Charles Rochet (Toulouse University)  
Discussant: Lorian Pellizzon (University of Venice), tbc

15:20 – 16:10      **Systemic Bank Risk in Brazil: An Assessment of Correlated Market, Credit, Sovereign and Inter-Bank Risk in an Environment with Stochastic Volatilities and Correlations**

Theodore M. Jr. Barnhill (George Washington University)

Marcos Rietti Souto (International Monetary Fund)

Discussant: Nancy Masschelein (National Bank of Belgium), tbc

**Session 5B**

**Credit Dependencies and Market Risk**

**Chair: Kostas Tsatsaronis (BIS)**

12:10 – 13:00      **Interaction of Market and Credit Risk: An Analysis of Inter-Risk Correlation and Risk Aggregation**

Klaus Böcker (UniCredit Group)

Martin Hillebrand (Munich University of Technology)

Discussant: Rüdiger Frey (University of Leipzig)

13:00 – 14:30      **Lunch**

14:30 – 15:20      **Market Conditions, Default Risk and Credit Spread**

Dragon Tang (Kennesaw State University)

Hong Yan (University of South Carolina)

Discussant: Til Schuermann (Federal Reserve Bank of New York)

15:20 – 16:10      **The Effect of Seniority and Security Covenants on Bond Price Reactions to Credit News**

David D. Cho (State University of New York at Buffalo)

Hwagyun Kim (Texas A&M University)

Jungsoon Shin (State University of New York at Buffalo)

Discussant: Joerg Rocholl (European School of Management and Technology in Berlin)

16:10 – 16:30      **Final Remarks by Philipp Hartmann (European Central Bank)**

16:30 – 17:00      **Refreshments**