Impact of regulation in a changing world: innovations and new risks

A joint workshop by the Research Task Force of the Basel Committee on Banking Supervision and the Centre for Economic Policy Research

Bank for International Settlements, Room A
Basel, Switzerland,
9–10 July 2019
Tuesday 9 July

8.30    Registration and coffee

9:00    Opening remarks

*Olivier de Bandt, Bank of France and Co-Chair of the Research Task Force*

9.05    Session 1: Regulation and liquidity

*Chair: Olivier de Bandt, Bank of France and Co-Chair of the Research Task Force*

9:05    Bank capital and liquidity transformation

*Jonathan Acosta-Smith (Bank of England)*

Guillaume Arnould (Bank of England)

Kristoffer Milonas (Moody’s Analytics)

Quynh-Anh Vo (Bank of England)

Discussant: Alejandro Van der Ghote (European Central Bank)

9:55    Liquidity management, fire sale and liquidity crises in banking: the role of leverage

*Fabiana Gomez (University of Bristol)*

Quynh-Anh Vo (Bank of England)

Discussant: Tanju Yorulmazer (University of Amsterdam)

10.45   Coffee break

11:10   Can banks use their liquid asset buffers?

Guillaume Arnould (Bank of England)

*Antoine Lallour (Bank of England)*

Discussant: Missaka Warusawitharan (Board of Governors of the Federal Reserve System)

12.00   Lunch
13.00  Keynote speech: Asset price booms and busts and policies to counter them
        Franklin Allen (Imperial College)

14.00  Session 2: Regulatory interaction
        Chair: Franklin Allen (Imperial College)

14:00  Insolvency-illiquidity, externalities and regulation
        Ester Faia (Goethe University Frankfurt)
        Discussant: Valerio Scalone (Bank of France)

14:50  Capital regulation, market-making, and liquidity
        Rainer Haselmann (Goethe University Frankfurt)
        Thomas Kick (Deutsche Bundesbank)
        Shikhar Singla (London School of Economics)
        Vikrant Vig (London School of Economics and CEPR)
        Discussant: Carlo E Wix (Board of Governors of the Federal Reserve System)

15.40  Coffee break

16:10  Session 3: Complexity and heterogeneity
        Chair: Ester Faia (Goethe University Frankfurt)

16:10  Measuring regulatory complexity
        Jean-Edouard Colliard (HEC Paris)
        Co-Pierre Georg (University of Cape Town and Deutsche Bundesbank)
        Discussant: Iman van Lelyveld (The Netherlands Bank)

17:00  Banking regulation, market liquidity, and the macro-economy
        Frédéric Boissay (Bank for International Settlements)
        Fabrice Collard (Toulouse School of Economics)
        Ulf Lewrick (Bank for International Settlements)
        Discussant: Mark Mink (The Netherlands Bank)

17.50  End Day 1
Wednesday 10 July

8.45 Session 4: New risks
Chair: Iman van Lelyveld (The Netherlands Bank)

8:45 A finance approach to climate stress testing
Henk Jan Reinders (Erasmus University Rotterdam and DNB)
Dirk Schoenmaker (Erasmus University Rotterdam and CEPR)
Mathijs van Dijk (Erasmus University Rotterdam)
Discussant: Jean-Stéphane Mésonnier (Bank of France)

9:35 Can bank resolution regimes increase systemic risk?
Thorsten Beck (Cass Business School)
Deyan Radev (University of Bonn)
Isabel Schnabel (University of Bonn)
Discussant: Misa Tanaka (Bank of England)

10.25 Coffee break

10.45 Session 5: Financial markets
Chair: Diana Hancock (Board of Governors of the Federal Reserve System)

10:45 Capital regulation and clearing: an unexpected interaction
Jonathan Acosta-Smith (Bank of England)
Gerardo Ferrara (Bank of England)
Francesc Rodriguez-Tous (Cass Business School)
Discussant: Tosten Ehlers (Bank for International Settlements)

11:35 Currency mispricing and dealer balance sheets
Gino Cenedese (Fulcrum Asset Management)
Pasquale Della Corte (Imperial College London)
Tianyu Wang (Tsinghua University)
Discussant: Olav Syrstad (Norges Bank)

12.25 Lunch
13.25  Session 5: Financial markets (cont’d)
Chair: Diana Hancock (Board of Governors of the Federal Reserve System)

13:25  Unintended consequences of the global derivatives market reform
Pauline Gandré (Uni Paris-Nanterre, EconomiX)
Mike Mariathasan (KU Leuven)
Ouarda Merrouche (Uni Paris-Nanterre, EconomiX)
Steven Ongena (University of Zurich, SFI and KU Leuven)
Discussant: Thibaut Piquard (Bank of France)

14.15  Session 6: Low interest rate environment
Chair: Daniel Foos (Deutsche Bundesbank)

14:15  Regulatory effects on short-term interest rates
Angelo Ranaldo (University of St Gallen)
Patrick Schaffner (University of St Gallen and Bank of England)
Michalis Vasios (Bank of England)
Discussant: Giovanni Calice (Loughborough University)

15.05  Coffee break

15:35  Capital requirements, the safe real interest rate and the fundamental problem of bank risk taking
Chuan Du (Yale University)
David Miles (Imperial College London)
Discussant: Ulf Lewrick (Bank for International Settlements)

16:25  Negative interest rates, deposit funding and bank lending
Tan Schelling (Swiss National Bank)
Pascal Towbin (Swiss National Bank)
Discussant: Tumer Kapan (International Monetary Fund)

17.15  Closing remarks
Diana Hancock, Board of Governors of the Federal Reserve System and Co-Chair of the Research Task Force

17.30  End of workshop
Programme committee

Samuel Da Rocha Lopes (European Banking Authority)
Olivier de Bandt (Bank of France)
Daniel Foos (Deutsche Bundesbank)
Diana Hancock (Board of Governors of the Federal Reserve System)
Kjell Bjørn Nordal (Central Bank of Norway)
Min Qi (Office of the Comptroller of the Currency)
Mario Quagliariello (European Banking Authority)
Greg Sutton (Bank for International Settlements)
Razvan Vlahu (Netherlands Bank)
Smith Williams (Federal Deposit Insurance Corporation)

Workshop organisation

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