

Workshop on

**“Interconnectedness of Financial Institutions:
Microeconomic Evidence, Aggregated Outcomes, and
Consequences for Economic Policy”**

Frankfurt, 26 May 2010

Organizers: Claudia Buch (University of Tübingen & IAW)
Heinz Herrmann (Deutsche Bundesbank)
Mathias Hoffmann (University of Zurich)
Jan Pieter Krahen (University of Frankfurt & Center for
Financial Studies)

09:00 – 09:15 **Introductory Remarks**

Claudia Buch (University of Tübingen)

Chair: Claudia Buch (University of Tübingen)

09:15 – 10:15 **Cross-Border Banking and the International Transmission of
Financial Distress during the Crisis of 2007-2008**

Alexander Popov (European Central Bank)

Gregory F. Udell (Indiana University)

Discussant: Steven Ongena (CentER, Tilburg University)

10:15 – 10:30 **Coffee Break**

Chair: Mathias Hoffmann (University of Zurich)

10:30 – 11:15 **Macroprudential Capital Requirements and Systemic Risk**

Celine Gauthier (Bank of Canada)

Alfred Lehar (University of Calgary)

Moez Souissi (Bank of Canada)

Discussant: Peter Raupach (Deutsche Bundesbank)

- 11:15 – 12:00 **Allocating Systemic Risk to Individual Institutions**
- Claudio Borio (Bank for International Settlements)
Nikola Tarashev (Bank for International Settlements)
Kostas Tsatsaronis (Bank for International Settlements)
- Discussant: Christian Ewerhart (University of Zurich)
- 12:00 – 12:15 General Discussion
- 12:15 – 14:00 **Lunch and Poster Session**
- Illiquidity, Insolvency, and Banking Regulation**
Jin Cao (University of Munich)
- Asset Pricing in the Presence of Social Interaction**
Frederik König (University of Frankfurt)
- Macroeconomic Factors and Systemic Risk in Banking. A FAVAR Approach**
Esteban Prieto (University of Tübingen)
- Rethinking the Risk-Competition Nexus for Banks: The Role of Internationalisation**
Cathérine Tahmee Koch (University of Zurich)
- Chair: Jan Pieter Krahen (University of Frankfurt)
- 14:00 – 14:45 **Interbank Tiering and Money Center Banks**
- Ben Craig (Federal Reserve Bank Cleveland)
Götz von Peter (Bank for International Settlements)
- Discussant: Rod Garratt (University of California, Santa Barbara & Bank of England)
- 14:45 – 15:30 **Peer Monitoring or Contagion? Interbank Market Exposure and Bank Risk**
- Michael Koetter (University of Groningen)
Ruud H. Koning (University of Groningen)

Iman van Lelyveld (De Nederlandsche Bank)

Franka R. Liedorp (De Nederlandsche Bank)

Lydian Medema (University of Groningen)

Discussant: Ben Craig (Federal Reserve Bank of Cleveland)

15:30 – 15:45 General Discussion

15:45 – 16:00 Coffee Break

Chair: Heinz Herrmann (Deutsche Bundesbank)

16:00 - 17:00 **A Tale of Two Policies: Prudential Regulation and Monetary Policy with Fragile Banks**

Ignazio Angeloni (European Central Bank)

Ester Faia (University of Frankfurt)

Discussant: Falko Fecht (European Business School)

17:30 Transfer to Eltville