

**Measuring the Effect of Financial Flexibility on Investment Using Insurers' Portfolios**

*Shan Ge, New York University\**

*Michael S. Weisbach, Ohio State University*

*Discussant: Andra Ghent, University of Wisconsin, Madison*

**10:00 AM** Break

**10:30 AM Session 7 | Bank Competition  
Room 334**

*Session Chair: Liang Ma*

**Competition, Risk-Taking, and The Demise of Old-School Banking**

*Emilio Bisetti, HKUST*

*Stephen A. Karolyi, Carnegie Mellon University\**

*Stefan Lewellen, Pennsylvania State University*

*Discussant: Christine Dobridge, Federal Reserve Board*

**Close Competitors? On the Causes and Consequences of Bilateral Competition between Banks**

*Ralph De Haas, EBRD*

*Liping Lu, VU University Amsterdam\**

*Steven Ongena, University of Zürich*

*Discussant: Gregory Udell, Indiana University*

**10:30 AM Session 8 | Household Credit  
Room 324**

*Session Chair: Da Ke*

**Friends with Bankruptcy Protection Benefits**

*Kristoph Kleiner, Indiana University\**

*Noah Stoffman, Indiana University*

*Scott Yonker, Cornell University*

*Discussant: Han Xia, University of Texas at Dallas*

**Macroprudential Policy and Household Leverage: Evidence from Administrative Household-Level Data**

*Sjoerd Van Bakkum, Erasmus School of Economics*

*Marc Gabarro, University of Mannheim*

*Rustom M. Irani, University of Illinois, Urbana Champaign\**

*Jose-Luis Peydro, Pompeu Fabra University*

*Discussant: Aditya Aladangady, Federal Reserve Board*

# Fixed Income & Financial Institutions

CONFERENCE 2019

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## Friday

**8:30 AM** Breakfast and Registration  
**Room 331**

**9:30 AM** Opening Remarks  
**Room 324**

**10:00 AM Session 1 | Banking and Liquidity  
Room 334**

*Session Chair: Christa H. S. Bouwman*

**Liquidity and Securitization**

*Douglas W. Diamond, University of Chicago*

*Yunzhi Hu, University of North Carolina, Chapel Hill\**

*Raghuram G. Rajan, University of Chicago*

*Discussant: Ming Yang, Duke University*

**How Should Governments Create Liquidity?**

*Timothy Jackson, Cardiff University*

*George Pennacchi, University of Illinois, Urbana Champaign\**

*Discussant: Sebastian Infante, Federal Reserve Board*

**The External Effects of Bank Executive Pay: Liquidity Creation and Systemic Risk**

*Robert DeYoung, University of Kansas\**

*Minjie Huang, University of Louisville*

*Discussant: Raluca Roman, Federal Reserve Bank of Philadelphia*

**10:00 AM Session 2 | Bond Pricing  
Room 324**

*Session Chair: Eric Powers*

**Real vs Nominal Bonds: On Liquidity and Inflation Risk Premiums Around the World**

*Andrey Ermolov, Fordham University*

*Geert Bekaert, Columbia Business School\**

*Discussant: Jean Helwege, University of California, Riverside*



### Floating Rate Money? The Stability Premium in Treasury Floating Rate Notes

Matthias Fleckenstein, University of Delaware\*

Francis A. Longstaff, The University of California, Los Angeles

Discussant: Jingzhi Huang, Pennsylvania State University

### Reaching for Yield and Overpricing in Bonds

Qianwen Chen, University of Illinois, Urbana Champaign

Jaewon Choi, University of Illinois, Urbana Champaign\*

Discussant: Jonathan Goldberg, Federal Reserve Board

## 12:30 PM Lunch and Keynote Speech Sonoco Pavilion

### Keynote Speaker: G. Andrew Karolyi

Deputy Dean and Dean of Academic Affairs

Harold Bierman, Jr. Distinguished Professor of Management

SC Johnson College of Business, Cornell University

## 2:30 PM Session 3 | Bank Risks Room 334

Session Chair: John Hackney

### Operational Risk is More Systemic than You Think: Evidence from U.S. Bank Holding Companies

Allen N. Berger, University of South Carolina\*

Filippo Curti, Federal Reserve Bank of Richmond

Atanas Mihov, Federal Reserve Bank of Richmond

John Sedunov, Villanova University

Discussant: Samuel Rosen, Temple University

### Are Risky Banks Rationed by Corporate Depositors?

Daniel Friedmann, Goethe University

Björn Imbierowicz, Deutsche Bundesbank\*

Anthony Saunders, New York University

Sascha Steffen, Frankfurt School of Finance and Management

Discussant: Jun Yang, University of Notre Dame

### Does Increased Shareholder Liability Always Reduce Bank Risk?

Haelim Anderson, Federal Deposit Insurance Corporation\*

Daniel Barth, Office of Financial Research

Dong Beom Choi, Federal Reserve Bank of New York

Discussant: Lamont Black, DePaul University

## 2:30 PM Session 4 | Government Bond Room 324

Session Chair: Wenhao Yang

### Default Risk and the Pricing of U.S. Sovereign Bonds

Robert Dittmar, University of Michigan

Alex Hsu, Georgia Institute of Technology\*

Guillaume Rousset, McGill University

Peter Simasek, Georgia Institute of Technology

Discussant: Cibil Sarisoy, Federal Reserve Board

### Fiscal Risk and the Slope of the Term Structure

Thien T. Nguyen, Ohio State University\*

Discussant: Michael Gallmeyer, University of Virginia

### How Learning from Macroeconomic Experiences Shapes the Yield Curve

Kasper Jorgensen, Federal Reserve Board\*

Discussant: Andrey Ermolov, Fordham University

## 4:45 PM Reception and Dinner

Top of Carolina (900 Barnwell St, Columbia, SC 29208 | Tel: (803) 777-7919)

Bus departs at 5 p.m. from the Moore School; Music by: "Instrumental Variables" band

## Saturday

7:30 AM Breakfast

## 8:30 AM Session 5 | Mortgage Room 334

Session Chair: Chao Jiang

### The Political Economy of Mortgage Lending

Yongqiang Chu, University of North Carolina, Charlotte\*

Teng (Tim) Zhang, University of Wyoming

Discussant: Pat Akey, University of Toronto

### The Real Effects of Secondary Market Trading Structure: Evidence from the Mortgage Market

Yesol Huh, Federal Reserve Board

You Suk Kim, Federal Reserve Board\*

Discussant: Sanket Korgaonkar, Pennsylvania State University

## 8:30 AM Session 6 | Bond and Insurers Room 324

Session Chair: Vahid Irani

### The Bond Pricing Implications of Rating-Based Capital Requirements

Scott Murray, Georgia State University\*

Stanislava Nikolova, University of Nebraska-Lincoln

Discussant: Robert A. Connolly, University of North Carolina, Chapel Hill