

In collaboration with



PRO  BANKER

CAREFIN
Centre for Applied Research in Finance

The European Banking Symposium

29-30 May 2008

For information:
CAREFIN
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Tel. 02 5836.5908

The participation is free

Registration required online:
www.unibocconi.it/appuntamenti

Bocconi



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Room D
Università Bocconi
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The Banking and Financial System has undergone a period of strong development and is experiencing a phase of deep change and uncertainty.

Analyses are required, that help us understand how the role and operation of banks and other intermediaries is evolving and might create opportunities and dangers.

In this perspective, the European Banking Symposium aims to provide a forum for banking and finance academics and researchers to present the results of their recent research activity to a selected audience.

Topics discussed in the Symposium include Risk Management and Basel II, Central Banking and Monetary Policy, Bank Management, Mergers and Competition.

All papers will be thoroughly presented and reviewed by a Discussant.

Thursday, 29 May

8:45am Registration

9:00 Welcome address
Andrea Sironi Università Bocconi

Session 1 - Risk Management
Chairman Andrea Sironi Università Bocconi

Regulatory Capital for Market and Credit Risk Interaction: Is Current Regulation Always Conservative?
Thomas Breuer (S) Fachhochschule Vorarlberg
Martin Jandačka Fachhochschule Vorarlberg
Klaus Rheinberger Fachhochschule Vorarlberg
Martin Summer Oesterreichische Nationalbank
Discussant Andrea Resti Università Bocconi

Bayesian Inference for Issuer Heterogeneity in Credit Ratings Migration
Ashay Kadam (S) Cass Business School
Peter Lenk University of Michigan
Discussant Francesco Corielli Università Bocconi

Channels for Interaction of Market and Credit Risk: A FAVAR Approach
Roberta Fiori Banca d'Italia
Simonetta Iannotti (S) Banca d'Italia
Discussant Ashay Kadam Cass Business School

11:15 Coffee break

11:45 CDO under Basel II: Do Ratings Provide the Right Size for Risk?
Luca Giaccherini (S) Banca d'Italia
Giovanni Pepe Banca d'Italia
Discussant Mascia Bedendo Università Bocconi

The Relation Between Borrower Risk and Loan Maturity in Small Business Lending
Karolin Kirschenmann (S) University of Mannheim
Lars Norden University of Mannheim
Discussant Mark Flood Federal Housing Finance Board

2:15pm Session 2 - Central Banking
Chairman Donato Masciandaro Università Bocconi

Collective Strategic Defaults: Bailouts and Repayment Incentive
Razvan Vlahu (S) University of Amsterdam
Discussant Iulian Obreja University of Colorado at Boulder

Decomposing the Returns on European Debt
Antje Berndt Carnegie Mellon University
Iulian Obreja (S) University of Colorado at Boulder
Discussant Thomas Breuer Fachhochschule Vorarlberg

3:35 Coffee break

4:05 Evidence of Differences in the Effectiveness of Safety-net Management in European Union
Santiago Carbo-Valverde University of Granada
Edward J. Kane (S) Boston College
Francisco Rodriguez-Fernandez University of Granada
Discussant Simon Kwan Federal Reserve Bank of San Francisco

Liquidity Shortages and Monetary Policy
Jin Cao (S) Munich Graduate School of Economics
Gerhard Illing University of Munich
Discussant Tommaso Monacelli Università Bocconi

5:30 Conclusion

Friday, 30 May

8:45am Registration

9:00 Session 3 - Banking
Chairman **Stefanie Kleimeier** Maastricht University

Loan Growth and Riskiness of Banks
Daniel Foos (S) University of Mannheim
Lars Norden University of Mannheim
Martin Weber University of Mannheim
Discussant **Klaus Schaeck** Cass Business School

How does Competition affect Efficiency and Soundness in Banking? New Perspectives and Empirical Evidence
Martin Cihák International Monetary Fund
Klaus Schaeck (S) Cass Business School
Discussant **Karolin Kirschenmann** University of Mannheim

The Number of Bank Relationships and the Cost of Borrowing. An Empirical Study
Diana Bonfim Banco de Portugal
Qingley Dai (S) Universidade Nova de Lisboa
Francesco Franco Universidade Nova de Lisboa
Discussant **Stefanie Kleimeier** Maastricht University

11:00 Coffee break

11:30 Market Power and Merger Simulation in Retail Banking
József Molnár (S) Bank of Finland
Discussant **Fotios Pasiouras** University of Bath

The Effects of Bank Mergers on Interest and Non-Interest Costs

Simon H. Kwan (S) Federal Reserve Bank of San Francisco
James A. Wilcox Haas School of Business
Discussant **József Molnár** Bank of Finland

1:00pm Conclusion