



WESTFÄLISCHE WILHELMS UNIVERSITY
MÜNSTER

Workshop

The Architecture of Financial System Stability:
From Market Micro Structure to Monetary Policy

Organizers

Martin T. Bohl, Westfälische Wilhelm University Münster
Pierre L. Siklos, Wilfrid Laurier University

Final Program

Wednesday, May 24

18:00 – 20:00 **Registration and get-together**, Hotel La Palma

Thursday, May 25

Opening Session

9:00 – 9:15 Words of Welcome
Pierre L. Siklos, Wilfrid Laurier University, Canada

Session I

Chair: **Eduard Hochreiter**, Oesterreichische Nationalbank, Austria

9:15 – 10:00 Risk Assessment for Banking Systems
Helmut Elsinger, University of Vienna, Austria
Discussant: **Simon Wolfe**, University of Southampton, UK

10:00 – 10:45 Responsibility without Power: Nordic and Antipodean Solutions
to the Problem of Foreign-Owned Systemic Bank Branches
David G. Mayes, Bank of Finland, Finland
Discussant: **Robert A. Eisenbeis**, Federal Reserve Bank of
Atlanta, USA

10:45 – 11:15 **Coffee Break**

11:15 – 12:00 Are Competitive Banking Systems More Stable?
Klaus Schaeck, University of Southampton, UK
Discussant: **Erlend W. Nier**, Bank of England, UK

12:00 – 13:00 Distinguished Speaker: Measuring Financial Stability
Charles A. E. Goodhart, London School of Economics, UK

Lunch

13:00 – 14:00

Session II

Chair: **Luis Cunha**, Universidade Nova de Lisboa, Portugal

14:00 – 14:45 Correlated Trading and Returns
Gur Huberman, Columbia University, USA
Discussant: **Martin T. Bohl**, Westfälische Wilhelms University
Münster, Germany

14:45 – 15:30 The Microstructure of Bond Market Tatonnement
Bruce Mizrach, Rutgers University, USA
Discussant: **Carsten Tanggaard**, Aarhus School of Business,
Denmark

15:30 – 16:00 **Coffee Break**

16:00 – 16:45 Macroeconomic Announcements, Price Discovery, and Order
Flow Effects in the Stock Market: Evidence from Incomplete
Data and Multiple Financial Markets
Jose Gonzalo Rangel, University of California, San Diego, USA
Discussant: **Thomas Werner**, European Central Bank, Germany

Dinner

20:00 – 23:00

Friday, May 26

Session III

Chair: **Gyorgy Szapari**, Nationalbank of Hungary, Hungary

8:30 – 9:15 Global Financial Transmission of Monetary Policy Shocks

Michael Ehrmann, European Central Bank, Germany

Discussant: **Sven W. Arndt**, Claremont McKenna College, USA

9:15 – 10:00 Flexible Inflation Targeting and Financial Stability: Is It Enough
to Respond to Output?

Q. Farooq Akram, Norges Bank, Norway

Discussant: **Andrew Filardo**, Bank for International Settlements,
Switzerland

10:00 – 10:30 **Coffee Break**

10:30 – 11:15 Euro Bonds: In Search of Financial Spillovers

Stefano Schiavo, Santa Anna School of Advanced Studies and
University of Trento, Italy

Discussant: **Pierre L. Siklos**, Wilfrid Laurier University, Canada

11:15 – 12:00 Default, Settlement, and Repayment History: A Unified Model of
Sovereign Debt

Irani Arraiz, University of Maryland, USA

Discussant: **Christian Müller**, ETH Zürich, Switzerland

12:00 – 13:00 Keynote Speaker: Challenges in Balancing Monetary and
Financial Stability

Claudio Borio, Bank for International Settlements, Switzerland

Lunch

12:00 – 14:00

Session structure: 25 minutes presentation, 10 minutes discussant, 10 minutes discussion by audience.

The organizers are grateful to the sponsors below for their financial support of this workshop.

Sponsors

 <p>WESTFÄLISCHE WILHELMS UNIVERSITY MÜNSTER</p>	 <p>Director: Dr. Pierre Siklos Associate Director: Dr. Alfred Hecht</p>
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