







Banks' liquidity in volatile macroeconomic and market environments

A joint conference by the Research Group of the Basel Committee on Banking Supervision, the Bank for International Settlements and the Centre for Economic Policy Research

Bank for International Settlements, Room A Basel, Switzerland, 15–16 May 2024

Programme







Wednesday 15 May

8:30 Registration and coffee

9:00 Opening remarks

Alexander Schulz, Deutsche Bundesbank and Co-Chair of the Research Group

9:05 Session 1: Non-banks

Chair: David Aikman, King's College

9:05 Liquidity support and distress resilience in bank-affiliated mutual funds

Giulio Bagattini, Frankfurt School of Finance & Management and European Securities and Markets Authority

Falko Fecht, Deutsche Bundesbank

Angela Maddaloni, European Central Bank

Discussant: Cristina Cella, Sveriges Riksbank

9:50 Interest rate exposures of non-banks: market concentration and monetary policy implications

Gabor Pinter, Bank for International Settlements

Danny Walker, Bank of England

Discussant: Azusa Takeyama, Bank of Japan

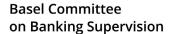
10:35 The secular decline of bank balance sheet lending

Greg Buchak, Stanford Graduate School of Business and Stanford Institute for Economic Policy Research

Gregor Matvos, Northwestern University and National Bureau of Economic Research Tomasz Piskorski, National Bureau of Economic Research

Amit Seru, Stanford Graduate School of Business, Hoover Institution, Stanford Institute for Economic Policy Research and National Bureau of Economic Research

Discussant: Stefan Schmitz, Central Bank of the Republic of Austria









11:20 Coffee break

11:40 Session 2: Monetary policy

Chair: Samuel Da Rocha Lopes, European Banking Authority

11:40 Scarce, abundant, or ample? A time-varying model of the reserve demand curve

Gara Afonso, Federal Reserve Bank of New York Domenico Giannone, Amazon, University of Washington and CEPR **Gabriele La Spada**, Federal Reserve Bank of New York John C Williams, Federal Reserve Bank of New York

Discussant: Enrico Perotti

12:25 Central bank liquidity reallocation and bank lending: evidence from the tiering system

Carlo Altavilla, European Central Bank and CEPR
Miguel Boucinha, European Central Bank
Lorenzo Burlon, European Central Bank
Mariassunta Giannetti, Stockholm School of Economics and CEPR
Julian Schumacher, European Central Bank

Discussant: Guillaume Horny, Bank of France

13:10 Lunch









14:10 Keynote speech

Agnès Benassy-Quéré, Deputy Governor, Bank of France, and Paris School of Economics

14:50 Session 3: Deposits

Chair: Alexander Schulz, Deutsche Bundesbank and Co-Chair of the Research Group

14:50 Banking on uninsured deposits

Itamar Drechsler, Wharton School, University of Pennsylvania **Alexi Savov**, Stern School of Business, New York University

Philipp Schnabl, Stern School of Business, New York University

Olivier Wang, New York University, Kaufman Management Center

Discussant: Maximilian Jager, Frankfurt School of Finance & Management

15:35 Coffee break

16:00 Foreign-borne interest rate risk: effects of foreign deposits on monetary policy and bank balance sheets

Rashad Ahmed, Office of the Comptroller of the Currency

Discussant: Gabor Pinter, Bank for International Settlements

16:45 Deposit convexity, monetary policy and financial stability

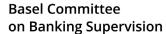
Emily Greenwald, Federal Reserve Bank of Dallas Sam Schulhofer-Wohl, Federal Reserve Bank of Dallas **Joshua Younger**, Federal Reserve Bank of New York

Discussant: Stefano Ungaro, Bank of France

17:30 Keynote speech

Viral Acharya, New York University Stern School of Business

18:15 End Day 1









Thursday, 16 May

9:00 Joint session with the workshop on Tackling the risks in systemically relevant banks – lessons from March 2023, jointly organised by the Bank for International Settlements, the Swiss Financial Market Supervisory Authority and the Swiss National Bank

9:00 Introductory remarks

Agustín Carstens, General Manager, Bank for International Settlements

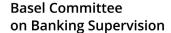
9:15 Panel session: The turmoil of March 2023 – causes and drivers

Chair: Marlene Amstad, Chair, FINMA

Speakers: Viral Acharya, New York University Stern School of Business

Amit Seru, Stanford GSB, the Hoover Institution, SIEPR and NBER Beatrice Weder di Mauro, Geneva Graduate Institute and CEPR

10:45 Coffee break









11:15 Session 4: Bank runs

Chair: Olivier de Bandt (Bank of France)

11:15 Corporate runs and credit reallocation

Elena Carletti, Bocconi University, Baffi Carefin, IGIER and CEPR Filippo De Marco, Bocconi University, Baffi Carefin, IGIER and CEPR Vasso Ioannidou, Bayes Business School and CEPR Enrico Sette, Bank of Italy and CEPR

Discussant: Valentin Schubert, Sveriges Riskbank

12:00 Procyclical leverage and crisis probability in a macroeconomic model of bank runs

Daisuke Ikeda, Bank of Japan

Hidehiko Matsumoto, National Graduate Institute for Policy Studies (GRIPS)

Discussant: Haakon Solheim, Norges Bank

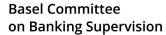
12:45 Lunch

14:00 Distortive effects of deposit insurance: administrative evidence from deposit and loan accounts

Dominic Cucic, National Bank of Denmark Rajkamal Iyer, Imperial College London and CEP Sotirios Kokas, University of Essex José-Luis Peydro, Imperial College London and CEPR Stefano Pica, Bank of Italy

Discussant: Chacko George, Federal Deposit Insurance Corporation (virtual)

14:45 Coffee break









15:15 Session 5: Interest rate risk

Chair: David Lynch, Board of Governors of the Federal Reserve System and Co-Chair of the Research Group

15:15 As interest rates surge: from funding to financing

Giuseppe Cappelletti, European Central Bank David Marques-Ibanez, European Central Bank Alessi Reghezza, European Central Bank Carmelo Salleo, European Central Bank

Discussant: Daniel Foos, Deutsche Bundesbank

16:00 LASH risk and interest rates

Laura Alfaro
Saleem Bahaj, University College London and Bank of England
Robert Czech, Bank of England
Jonathon Hazell, London School of Economics
Joana Neamtu, Bank of England

Discussant: Calixto López Castañon, Bank of Mexico

16.45 Closing remarks

David Lynch, Board of Governors of the Federal Reserve System and Co-Chair of the Research Group

17.00 End of conference







Programme committee

David Aikman, King's College Thorsten Beck, European University Institute and CEPR Laurent Clerc, French Prudential Supervision and Resolution Authority Claudia Custodio, Imperial College London and CEPR Samuel Da Rocha Lopes, European Banking Authority Olivier de Bandt, Bank of France Klaus Düllmann, European Central Bank Gaston Gelos, Bank for International Settlements and CEPR Mariassunta Giannetti, Stockholm School of Economics and CEPR Vasso Ioannidou, City University of London and CEPR Pablo Rovira Kaltwasser, National Bank of Belgium David Lynch, Board of Governors of the Federal Reserve System Andreas Schrimpf, Bank for International Settlements and CEPR Alexander Schulz, Deutsche Bundesbank Ilhyock Shim, Bank for International Settlements Hyun Song Shin, Bank for International Settlements Greg Sutton, Bank for International Settlements Margarita Tsoutsoura, Washington University in St Louis and CEPR

Conference organisation

Martin Birn, Basel Committee Secretariat