

Liquidity Risk and Capital Requirements

Friday and Saturday, April 24 & 25, 2015

General Information

Liquidity risk and capital requirements have always been a central topic of banking and finance research. Its importance is evidenced and strengthened by the most recent financial crisis. This conference brings together a group of researchers who have conducted stimulating research on this topic. The conference program consists of a rich set of papers that include macro as well as micro, theoretical as well as empirical studies. These papers and their discussions will help better understand what causes liquidity risk, how it spreads to non-financial sectors, and how to manage it. The conference will also encourage a dialogue between leading academics and policy advisors to reflect on the effectiveness of existing regulatory frameworks and to explore new ideas for regulatory reforms.

Organizers

Lixin Huang (Georgia State University) and Andrew Winton (University of Minnesota) are the organizers of this conference.

Contact Lixin Huang at lxhuang@gsu.edu about the conference program and Mark Schneider at cear@gsu.edu for questions about participation and logistics.

Sponsors and Funding

The conference is funded by the *Center for the Economic Analysis of Risk* (CEAR, cear.gsu.edu) and the Department of Finance (robinson.gsu.edu/finance), both located in the J. Mack Robinson College of Business at Georgia State University.

Dates & Times

Friday, 4/24 – 12:00 pm to 5:45 pm; conference dinner to follow. Lunch and refreshments will be provided by CEAR.

Saturday, 4/25 – 8:00 am to 3:00 pm. Continental breakfast, lunch, and refreshments will be provided by CEAR.

Please list any special dietary needs while registering for the symposium or contact Mark Schneider at cear@gsu.edu for special dietary needs.

Location

Sessions will be held at the [Georgia State University Buckhead Center](#), in **Room 610** on the **6th Floor** of Tower Place 200, 3348 Peachtree Rd. NE, Atlanta, GA 30326. Detailed directions are below and can be found on the [Buckhead Center's page](#).

Directions

MARTA Subway:

Take the North Springs line (Red Line) to the Buckhead N7 Station; follow the first exit out of the station and turn right on Peachtree Road (away from Lenox Square Mall); turn right again immediately after the Capital City Plaza building (before Fresh 2 Order Restaurant); follow the sidewalk on the left – it will lead you around to the front entrance of Tower Place 200.

One-way Rail Rides cost \$2.50. Tickets can be easily purchased from vending machines at all MARTA stations. This is by far the easiest method, and is on a direct line to Atlanta International Airport. Here is a map of the [MARTA rail system](#).

Driving:

From SOUTH of Atlanta: Follow I-85 North to GA 400. Exit at Lenox Road (first exit, before the toll plaza). Stay in the far left lane and turn left off the exit onto Lenox Road. At the next light, turn left onto Tower Place Drive NE. (On the Border Mexican Restaurant will be located on the left.) Remain in the left lane through both stop signs. Continue straight to the entrance of the Tower Place 200 parking garage.

From NORTH of Atlanta on I-85: Take I-85 South to the North Druid Hills exit. Turn right onto North Druid Hills Road. Go through two traffic lights. Stay in the left lane and continue straight onto E. Roxboro Road at the split. Turn left onto Peachtree Road. Turn right onto Lenox Road/Paul Coverdell Memorial Parkway. After you cross GA 400, turn left at the first light onto Tower Place Drive NE. (On the Border Mexican Restaurant will be located on the left.) Remain in the left lane through both stop signs. Continue straight to the entrance of the Tower Place 200 parking garage.

From NORTH of Atlanta on I-75: From I-75 South, take Exit 251 for I-85 North toward Greenville. Merge onto I-85. Take Exit 87 onto GA-400 N toward Buckhead. Take the Lenox Road exit and turn left. Turn left at the first light onto Tower Place Drive NE. (On the Border Mexican Restaurant will be located on the left.) Remain in the left lane through both stop signs. Continue straight to the entrance of the Tower Place 200 parking garage.

From NORTH of Atlanta on GA-400: Take 400 South. Follow Exit #2 GA 141 Connector to Buckhead. Make a right onto Lenox Road. At the next light, turn left onto Tower Place Drive NE. (On the Border Mexican Restaurant will be located on the left.) Remain in the left lane through both stop signs. Continue straight to the entrance of the Tower Place 200 parking garage.

From Peachtree/Piedmont Roads: From Peachtree, turn north on Piedmont Rd. (If coming south on Peachtree, turn right on Piedmont. If coming north on Peachtree, turn left on Piedmont.) From Piedmont Road, turn onto Lenox Road. At the first light, turn right onto Tower Place Drive NE. (You will see On The Border Mexican Restaurant as a landmark.) Remain in the left lane through both stop signs. Continue straight to the entrance of the Tower Place 200 parking garage.

Parking *(one option)*

The Tower Place 200 parking deck rate is \$2 every 30 minutes, with a maximum daily rate of \$12. Validation tickets will be arranged for presenters, discussants, and registered conference participants. An attendant is on duty until 8 pm on weekdays only. A payment machine is available after hours.

After you have parked, take the garage elevator down to the ground level – this will lead you directly into the lobby of Tower Place 200. Once in the lobby of the building, take the lobby elevator to the **6th Floor, Room 610**.

Lodging

CEAR recommends lodging at the [Courtyard by Marriott Atlanta - Buckhead](#), which is within walking distance to The Buckhead Center, and also offers a courtesy shuttle to guests from 7am to 10pm. All presenters and discussants must make lodging requests directly with Mark Schneider at cear@gsu.edu. For all other attendees needing lodging, CEAR has a pre-negotiated rate of \$109/night, which can be booked here - [Marriott Buckhead corporate rate for Georgia State University](#)

The hotel is located at 3332 Peachtree Street NE, Atlanta, GA 30326, and by phone at (404) 869-0818.

Confirmed Attendees

Andrew Winton (Co-chair)

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Presenters

Juliane Begenau
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Maryam Farboodi
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Discussants

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PROGRAM – Friday, April 24, 2015

12:00 pm – 12:45 pm Lunch (provided)

12:45 pm – 1:00 pm Welcome and Administrative Announcements

1:00 pm – 2:00 pm “Intermediation and Voluntary Exposure to Counterparty Risk”
Authors: **Maryam Farboodi (Princeton University)**

Discussant: **Adriano Rampini (Duke University)**
Session Chair: **Andrew Winton (University of Minnesota)**

2:00 pm – 2:15 pm Break

2:15 pm – 3:15 pm “Who Neglects Risk? Investor Experience and the Credit Boom”
Authors: **Sergey Chernenko (Ohio State University)**, Sam Hanson (Harvard University), Adi Sunderam (Harvard University)

Discussant: **Joe Mason (Louisiana State University)**
Session Chair: **Di Li (Georgia State University)**

3:15 pm – 3:30 pm Break

3:30 pm – 4:30 pm “Risk-Sharing in the Syndicated Loan Market: Evidence from Lehman Brothers’ Collapse”
Authors: **Hanh Le (University of Illinois-Chicago)**

Discussant: **Greg Nini (Drexel University)**
Session Chair: **Dalida Kadyrzhanova (Georgia State University)**

4:30 pm – 4:45 pm Break

4:45 pm – 5:45 pm “Loan Sales and Bank Liquidity Risk Management: Evidence from a U.S. Credit Register”
Authors: **Rustom M. Irani (University of Illinois)**, Ralf R. Meisenzahl (Federal Reserve Board), Sadra Amiri Moghadam (University of Illinois)

Discussant: **Sudheer Chava (Georgia Institute of Technology)**
Session Chair: **Baozhong Yang (Georgia State University)**

6:00 pm – 6:45 pm Reception (*invited guests only*)

Location: TBA

6:45 pm – 8:30 pm Dinner (*invited guests only*)

Location: TBA

PROGRAM – Saturday, April 25, 2015

8:30 am – 9:15 am Breakfast (provided)

9:15 am – 10:15 am “Exporting Liquidity: Branch Banking and Financial Integration”
Authors: **Erik Gilje (University of Pennsylvania)**, Elena Loutskina (University of Virginia), Philip E. Strahan (Boston College)

Discussant: **Rajkamal Iyer (Massachusetts Institute of Technology)**
Session Chair: **Zhen Shi (Georgia State University)**

10:15 am – 10:30 am Break

10:30 am – 11:30 am “The Shadow Cost of Bank Capital Requirements”
Authors: Roni Kisin (Washington University in St. Louis), **Asaf Manela (Washington University in St. Louis)**

Discussant: **George Pennacchi (University of Illinois)**
Session Chair: **Mark Chen (Georgia State University)**

11:30 am – 12:30 pm Lunch (provided)

12:30 pm – 1:30 pm “Capital Requirements, Risk Choice, and Liquidity Provision in a Business Cycle Model”
Authors: **Juliana Begenau (Harvard University)**

Discussant: **Skander Van den Heuval (Federal Reserve Board)**
Session Chair: **Hadiye Aslan (Georgia State University)**

1:30 pm – 1:45 pm Break

1:45 pm – 2:45 pm “Bank Capital Requirements: A Quantitative Analysis”
Authors: **Thien Nguyen (Ohio State University)**

Discussant: **Dean Corbae (University of Wisconsin - Madison)**
Session Chair: **Lixin Huang (Georgia State University)**

2:45 pm – 3:00 pm Concluding Remarks

6:30 pm Casual dinner for participants staying Saturday night Location: TBA
