Symposium
2009

Risk Management in Financial Institutions

23 - 25 April 2009

Audencia Nantes
School of Management
France

Program
Thursday 23rd April 2009

5:00 – 6:30pm  Registration

6:30 – 7:30pm  Official Welcome  Amphi 70 ECE
Christophe Villa, Audencia Nantes
John Doukas, European Financial
Management Association

7:30 – 9:00pm  Inaugural Buffet Reception  Forum

Friday 24th April 2009

08:15 – 10:00am  Presentations (2 parallel sessions)  Sessions A1 – A2

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<thead>
<tr>
<th>SESSION A1</th>
<th>A. Pop</th>
<th>University of Nantes</th>
<th>Amphi 72 ECE</th>
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<tbody>
<tr>
<td>Session Chair:</td>
<td>US Financial Institutions: Reputational Risk and Senior Management Sell Decisions</td>
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Authors: A. Jaiswal-Dale (Univ. of St. Thomas, us), C. Consolandi (Univ. di Siena, it), G. Gabbi (Univ. di Siena, it)
Discussant: B Tabak (Banco Central do Brasil, br)
Microfinance mission drift?
*Authors: R. Strom (Åstfold University College, no), Roy Mersland (Åstfold University College, no)*
*Discussant: L. Dalla Pellegrina (Centro Paolo Baffi, Bocconi University, Milan, and University of Milan-Bicocca, It)*.

Offsite Bank Supervision Analysis of Bank Profitability, Risk, and Capital Adequacy
*Authors: B Tabak (Banco Central do Brasil, br), Marcos Souto (IMF), T. Barnhill (George Washington Univ., us)*
*Discussant: R. Strøm (Åstfold University College, no)*

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<tr>
<th>SESSION A2</th>
<th>Amphi 75 ECE</th>
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<tr>
<td>Session Chair:</td>
<td>G. Dionne</td>
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<td>HEC Montréal</td>
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Performance and Conservatism of Monthly FHS VaR
*Authors: F. Coggins (Univ. de Sherbrooke, ca), Stephane Chretien (Laval University)*
*Discussant: S. Plunus (HEC-University of Liège, be)*

Risk Measurement and Management in a Crisis-Prone World
*Authors: L. Copeland (Cardiff Business School, uk), W.K. Wong (Cardiff Business School, uk)*
*Discussant: F. Coggins (Univ. de Sherbrooke, ca)*

Measuring operational risk in financial institutions
*Authors: S. Plunus (HEC-University of Liège, be), G. Hübner (HEC-University of Liège, be), JP. Peters (Deloitte Luxembourg, lu)*
*Discussant: L. Copeland (Cardiff Business School, uk)*

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<th>10:00 – 10:30am</th>
<th>Coffee Break</th>
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<td>10:30 – 12:15am</td>
<td>Presentations (2 parallel sessions)</td>
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<td>Sessions B1 – B2</td>
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<tr>
<th>SESSION B1</th>
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<tr>
<td>Session Chair:</td>
<td>C. Girard</td>
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<td>Audencia Nantes School of Management</td>
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Capital Adequacy Ratios, Efficiency and Governance: a Comparison Between Islamic and Western Banks
*Authors: L. Dalla Pellegrina (Centro Paolo Baffi, Bocconi University, Milan, and University of Milan-Bicocca, It)*
*Discussant: Z. WU (University of Saskatchewan, ca)*

Does Private Equity Create Wealth
*Authors: Ronald W. Masulis (Owen Graduate School of Management, Vanderbilt University), Randall S. Thomas (Vanderbilt Law School, Vanderbilt University)*
*Discussant: A. Jaiswal-Dale (Univ. of St. Thomas, us)*

Enterprise Risk Management and Financial Stability
*Authors: Z. WU (University of Saskatchewan, ca)*
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<td>Session Chair:</td>
<td>O. Le Courtois</td>
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Consumption and hedging in oil-importing developing countries  
*Authors: J. Casassus, (Pontificia Universidad Catolica de Chile), F. Aldunate, (Pontificia Universid Catolica de Chile)  
Discussant: M. Madaleno, (DEGEI - Universidade de Aveiro)*

The hedging effectiveness of electricity futures  
*Authors: M. Madaleno, (DEGEI - Universidade de Aveiro), C. Pinho (GOVCOPP / DEGEI - Universidade de Aveiro)  
Discussant: P. Six, (University of Paris 1-Sorbonne, fr)*

Commodity derivatives pricing with an endogenous convenience yield market price of risk  
*Authors: P. Six, (University of Paris 1-Sorbonne, fr), S. Attaouiy (Rouen School of Management, fr)  
Discussant: J. Casassus, (Pontificia Universidad Catolica de Chile)*

| 12:15 – 1:45pm | Lunch Forum |
| 1:45 – 3:30pm | Presentations (2 parallel sessions) Sessions C1 – C2 |

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<th>SESSION C1</th>
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Credit Risk Transfer Practices in US Commercial Banks  
*Authors: M. Belendo, (Bocconi University, it), B. Bruno (Bocconi Universit, it)  
Discussant: C. Pérignon (HEC Paris, fr)*

Internal loss data collection implementation: Evidence from a large UK financial institution  
*Authors: C. Bryce, (Caledonian Business School, Glasgow Caledonian University, uk ), Robert Webb (Caledonian Business School, Glasgow Caledonian University, uk), J. Adams (Caledonian Business School, Glasgow Caledonian University, uk)  
Discussant: M. Belendo, (Bocconi University, it)*

*The Level and Quality of Value-at-Risk Disclosure by Commercial Banks  
Authors: C. Pérignon (HEC Paris, fr), D. R. Smith (Simon Fraser University)  
Discussant: C. Bryce, (Caledonian Business School, Glasgow Caledonian University, uk)*
SESSON C2 | Amphi 75 ECE
---|---
**Session Chair:** | Amélie Charles  
Audencia-Nantes School of Management  
  
**Measuring Intra-Daily Market Risk: A Neural Network Approach**  
**Authors:** F. J. Fabozzi (Yale School of Management, us), W. Sun (University of Karlsruhe, KIT, and GCFD, de), S. Rachev (University of Karlsruhe and KIT, Germany and University of California, Santa Barbara, us)  
**Discussant:** G. Weiss (Ruhr-Universitat Bochum, de)

**Analysing Contagion and Bailout Effects with Copulae - The Case of Germany's IKB**  
**Authors:** G. Weiss (Ruhr-Universitat Bochum, de)  
**Discussant:** A. Wilhelmsson (School of Economics and Management, Lund University, Dept. of Economics, Lund, se)

**Measuring Event Risk**  
**Authors:** A. Wilhelmsson (School of Economics and Management, Lund University, Dept. of Economics, Lund, se), P. Nyberg (Swedish School of Economics and Business Administration and the Graduate School of Finance, fi)  
**Discussant:** W. Sun (University of Karlsruhe, KIT, and GCFD, de)

3:30 – 4:00pm  
**Coffee Break**  
**Forum**

4:00 – 5:45pm  
**Presentations (2 parallel sessions)**  
**Sessions C1 – C2**

SESSON D1 | Amphi 72 ECE
---|---
**Session Chair:** | C. Péignon  
HEC Paris  
  
**The Determinants of Operational Losses**  
**Authors:** A. Chernobai (Syracuse University, us), P. Jorion (University of California, us), F. Yu (Michigan State University, us)  
**Discussant:** G. Dionne (HEC Montréal, ca)

What about Underevaluating Operational Value at Risk in the Banking Sector  
**Authors:** G. Dionne (HEC Montréal, ca), H. Dahen (HEC Montréal, ca)  
**Discussant:** S. Ruenzi (University of Texas, Austin, us)

Does Team Management Reduce Operational Risk?  
**Authors:** S. Ruenzi (University of Texas, Austin, us), Michaela Bär (University of Cologne, Conrad S. Ciccotello (Georgia State University, us)  
**Discussant:** A. Chernobai (Syracuse University, us)
Protection of Life Insurance Companies in a Market-Based Framework  
Authors: O. Le Courtois (EM Lyon, fr), Carole Bernard, (University of Waterloo, can), F. Quittard Pinon, (University of Lyon 1, fr)  
Discussant: A. POP (University of Nantes, fr)

Did the Market Signal Impending Problems at Northern Rock? An Analysis of Four Financial Instruments  
Authors: A. POP (University of Nantes, fr), Paul Hamalainen, (University of Essex, uk), M. Hall (Loughborough University, uk), Barry Howcroft (Loughborough University, uk)  
Discussant: P. Moles (University of Edinburgh Business School, uk), J. Clunie

Caveat Venditor - Crowded Exits!  
Authors: P. Moles (University of Edinburgh Business School, uk), J. Clunie (Scottish Widows Investment Partnership, uk), Y. Gao (Franklin Templeton Investment Management)  
Discussant: O. Le Courtois (EM Lyon, fr)
### Saturday 25th April 2009

**09:00 – 10:45am**

**Presentations (2 parallel sessions)** Sessions D1 – D2

<table>
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<th>SESSION E1</th>
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| Session Chair: | A. Jaiswal-Dale  
Univ. of St. Thomas |
| | Predictability in the cross-section of European bank stock returns  
Authors: W. Drobetz (Institute of Finance, University of Hamburg, de)  
W. Bessler, Center for Finance and Banking, Justus-Liebig-University Giessen, Thomas Erdmann, Credit Suisse Group, Heinz Zimmermann, University of Basel, ch)  
Discussant: D. B. Filipo (Università della Calabria, it) |
| | The value relevance of IFRS in the European Banking Industry  
Authors: D. B. Filipo (Università della Calabria, it), M. Agostino (Università della Calabria, it)  
D. Drago (Università della Calabria, it)  
Discussant: W. Drobetz (Institute of Finance, University of Hamburg, de) |

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<th>SESSION E2</th>
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| Session Chair: | D. Cumming  
York University - Schulich School of Business |
| | Trading activity, realized volatility and jumps  
Authors: M. Petitjean, Louvain School of Management and FUCaM (Catholic University of Mons, be), P. Giot (Louvain School of Management, CORE and CeReFiM, be), S. Laurent (CORE and CeReFiM, be)  
Discussant: P. Moles (University of Edinburgh Business School, uk) |
| | Inferring Default Correlation from Equity Return Correlation  
Authors: Y. A. Xie (School of Management, University of Michigan Dearborn, us), H. Qi (School of Business and Economics, Michigan Tech University, us), S. Liu, Washington State University, us), C. Wu, University of Missouri-Columbia, uk)  
Discussant: M. Petitjean, Louvain School of Management and FUCaM (Catholic University of Mons, be) |

**10:45 – 11:15am**

**Coffee Break  Forum**

**11:15 – 1:00pm**

**Presentations (2 parallel sessions)** Sessions E1 – E2

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<th>SESSION F1</th>
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| Session Chair: | C. Villa  
Audencia Nantes School of Management |
| | Hedge Fund Regulation and Misreported Returns  
Authors: D. Cumming (York University - Schulich School of Business),  
Discussant: M. C. Hutchinson (University College Cork, L. A. Gallagher, Dublin City University) |
Regime Change and Convertible Arbitrage Risk

M. C. Hutchinson (University College Cork, L. A. Gallagher, Dublin City University)
Discussant: M. O. Sy RMIT (University, Melbourne-Australia)

Performance Persistence of Monthly Returns Across Strategies

Authors: M. O. Sy RMIT (University, Melbourne-Australia), L. T. P. Nguyen (Multimedia University, Malaysia), C. M. Yu (Multimedia University, Malaysia)
Discussant: D. Cumming (York University - Schulich School of Business)

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Optimal Instrumental Variables Generators Based on Improved Hausman Regression, with an application to Hedge Fund Returns

Authors: F. R. Racicot University of Quebec (Outaouais), R. Théoret, University of Quebec (Montreal), (UQAM)
Discussant: Toque CREFI-LSF (University of Luxembourg)

Funds Rating: The predictive power

Authors: C. Toque CREFI-LSF (University of Luxembourg), V. Terraza (CREFI-LSF, University of Luxembourg)
Discussant: G. Yanou (University of Paris-I-Sorbonne)

Extension of Random Matrix Theory to the L-moments for Robust Portfolio Allocation

Authors: G. Yanou (University of Paris-I-Sorbonne)
Discussant: F. R. Racicot University of Quebec (Outaouais)

From 1:00am
Lunch
Forum

Thanks
Audencia Nantes
EFM Network
2009 EFM Symposium Sponsor: Crédit Agricole S.A.