Symposium 2009

Risk Management in Financial Institutions

23 - 25 April 2009

Audencia Nantes
School of Management
France

Program

EUROPEAN FINANCIAL MANAGEMENT

SYMPOSIUM

Risk Management in Financial Institutions

April 23-25, 2009
Audencia Nantes School of Management, France

Keynote Speaker: Philippe Jorion, University of California

Symposium Chair: Christophe Villa, Audencia Nantes School of Management

Symposium Program

(Each paper is scheduled for a total of 35 mns, including 20 mns for the presentation, 10 mns for the discussant, and 5 mns for questions)

Thursday 23th April 2009

5:00 – 6:30pm	**Registration**	
6:30 – 7:30pm	**Official Welcome** **Christophe Villa, Audencia Nantes** **John Doukas, European Financial Management Association**	**Amphi 70 ECE**
7:30 – 9:00pm	**Inaugural Buffet Reception**	**Forum**

Friday 24 th April 2009

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

SESSION A1		**Amphi 72 ECE**
Session Chair:	**A. Pop** **University of Nantes**	

US Financial Institutions: Reputational Risk and Senior Management Sell Decisions
***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. Strøm (Âstfold University College, no)**, **Roy Mersland (Âstfold 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 (Âstfold University College, no)

SESSION A2		**Amphi 75 ECE**
Session Chair:	**G. Dionne** **HEC Montréal**	

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)

10:00 – 10:30am **Coffee Break** **Forum**

10:30 – 12:15am **Presentations (2 parallel sessions)** Sessions B1 – B2

SESSION B1		**Amphi 72 ECE**
Session Chair:	**C. Girard** **Audencia Nantes School of Management**	

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)

Discussant: Ronald W. Masulis (Owen Graduate School of Management, Vanderbilt University)

SESSION B2		**Amphi 75 ECE**
Session Chair:	**O. Le Courtois** **EM Lyon**	

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

SESSION C1		**Amphi 72 ECE**
Session Chair:	**J. Casassus,** **Pontificia Universidad Catolica de Chile**	

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)

SESSION 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

SESSION D1		Amphi 72 ECE
Session Chair:	**C. Pérignon** **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)

SESSION D2		Amphi 75 ECE
Session Chair:	**B Tabak** **Banco Central do Brasil**	

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)

6:00 – 7:30 pm **Keynote presentation** **Amphi Europe**
Philippe Jorion
University of California, Irvine

8:15pm **Gala Dinner**
Château de la Groulais

Saturday 25 th April 2009

09:00 – 10:45am **Presentations (2 parallel sessions)** Sessions D1 – D2

SESSION E1		**Amphi 72 ECE**
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 Erdmannc, 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)

SESSION E2		**Amphi 75 ECE**
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

SESSION F1		**Amphi 72 ECE**
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, ma), C. M. Yu (Multimedia University, ma)
Discussant: D. Cumming (York University - Schulich School of Business)

SESSION F2		Amphi 72 ECE
Session Chair:	E. Galariotis Audencia – Nantes School of management	

Optimal Instrumental Variables Generators Based on Improved Hausman Regression, with an application to Hedge Fund Returns
Authors: F. R. Racicot University of Quebec (Outaouais), (UQO), 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-1-Sorbonne)

Extension of Random Matrix Theory to the L-moments for Robust Portfolio Allocation
Authors: G. Yanou (University of Paris-1-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.