



**4<sup>th</sup> EMG Conference**  
**8<sup>th</sup>-9<sup>th</sup> May 2014**  
**“Emerging Markets Finance”**

**Thursday 8th May 2014**

**08:15-09:00**

**Registration**  
**Tea and Coffee – 2<sup>nd</sup> Floor Milling Area**

**09:00-10:30**    **Session 1**

**Financial Markets – Room 2002**

Chair: Kate Phylaktis (Cass Business School, City University London)

*“International Capital Markets Structure, Preferences and Puzzles: “A US-China World””*

Guglielmo Maria Caporale (Brunel University), **Michael Donadelli** (SAFE, Goethe University Frankfurt), Alessia Varani (HEC-Montreal)

Discussant: Alan De Genaro (Courant Institute of Mathematical Sciences - NYU)

*“House price cycles in emerging economies”*

**Alessio Ciarlone** (Bank of Italy)

Discussant: Giulio Nicoletti (European Central Bank)

**Financial Crisis 1 – Room 2003**

Chair: David Lodge (European Central Bank)

*“Bank Crises and Sovereign Defaults: Exploring the Links”*

**Irina Balteanu** and Aitor Erce (Bank of Spain)

Discussant: John Beirne (European Central Bank)

*“Local Currency Sovereign Risk”*

**Wenxin Du** (Federal Reserve Board) and Jesse Schreger (Harvard University)

Discussant: Marius Matei

*“Sovereign Debt Crises and Financial Contagion”*

**Brent Glover** and Seth Richards-Shubik (Carnegie Mellon University)

Discussant: Irina Balteanu (Bank of Spain)

### **Capital Flows 1 – Room 2004**

Chair: Matthieu Bussiere (Bank of France)

*“International Reserves and Gross Capital Flows Dynamics”*

Enrique Alberola (Banco de España), Aitor Erce (Banco de España and European Stability Mechanism) and **José Maria Serena** (Banco de España)

Discussant: Matthieu Bussiere (Bank of France)

*“Prudential Capital Controls or Bailouts? The Impact of Different Collateral Constraint Assumptions”*

Mitsuru Katagiri (Bank of Japan), Ryo Kato (Bank of Japan), and **Takayuki Tsuruga** (Kyoto University)

Discussant: Sebastian Sosa (International Monetary Fund),

*“Global Financial Shocks and Foreign Asset Repatriation: Do Local Investors Play a Stabilizing Role?”*

Gustavo Adler (International Monetary Fund), Marie-Louise Djigbenou (Banque de France), and **Sebastian Sosa** (International Monetary Fund)

Discussant: José Maria Serena (Banco de España)

10:30-11:00

Tea and Coffee – 2<sup>nd</sup> Floor Milling Area

11:00-12:30    **Session 2**

**Banking 1 – Room 2002**

Chair: Aneel Keswani (Cass Business School, City University London)

*“When are consumer loans collateralized in emerging markets? Evidence from Vietnam”*

Thanh Dinh ( Maastricht University), Christa Hainz (ifo Institute for Economic Research), **Stefanie Kleimeier** (Maastricht University)

Discussant: Barbara Casu (Cass Business School, City University London)

*“Linking economic shocks and financial vulnerability in Kazakhstan: A portfolio model as a stress testing tool”*

**Natalia Podlich** and Klaus Duellmann (Deutsche Bundesbank)

Discussant: Risto Herrala (Bank of Finland)

*“Foreign bank entry and net interest margins in emerging markets: empirical evidence from Southeast Europe”*

**Zana Beqiri**, Barbara Casu, and Daniela Fabbri (Cass Business School, City University London)

Discussant: Alexander Popov (European Central Bank)

### **Financial Contagion 1 – Room 2003**

Chair: Marco Lo Duca (European Central Bank)

*“Policy Uncertainty Spillovers to Emerging Markets - Evidence from Capital Flows”*

Ludovic Gauvin (EconomiX-CNRS and Banque de France), Cameron McLoughlin (Banque de France) and **Dennis Reinhardt** (Bank of England)

Discussant: Michael Donadelli (Goethe University Frankfurt)

*“U.S. unconventional monetary policy and contagion to emerging market economies”*

Juan M. Londono, **Horacio Sapriza** and David Bowman (Federal Reserve Board)

Discussant: Daniel L. Thornton (Federal Reserve Bank of St. Louis)

*“Transmitting global liquidity to East Asia: policy rates, bond yields, currencies and dollar credit”*

Dong He and **Robert N McCauley** (Bank for International Settlements)

Discussant: Marco Lo Duca (European Central Bank)

### **Foreign Exchange 1 – Room 2004**

Chair: Kate Phylaktis (Cass Business School, City University London)

*“Identifying Periods of Financial Stress in Asian Currencies: The Role of High Frequency Financial Market Data”*

Mardi Dungey (University of Tasmania and CAMA, Australian National University), **Marius Matei** (University of Tasmania) and Sirimon Treepongkaruna (University of Western Australia)

Discussant: Emmanouil N. Karimalis (Cass Business School, City University London)

*“Comparative advantage as a source of exporters' pricing power: Evidence from China and India”*

**Sushanta Mallick** (Queen Mary, University of London) and Helena Marques (University of the Balearic Islands, Spain)  
Discussant Simona Manu (European Central Bank)

*“The Offshore Renminbi Exchange Rate: Microstructure and Links to the Onshore Market”*

Yin-Wong Cheung (City University of Hong Kong) and **Dagfinn Rime** (Norges Bank and BI Norwegian Business School)

Discussant: Kate Phylaktis (Cass Business School, City University London)

**12:30-14:30**

**Lunch – The Hub Restaurant (3<sup>rd</sup> Floor)**

**14:30-16:00**

**Session 3**

**International Investment 1 – Room 2002**

Chair: Meziane Lasfer (Cass Business School, City University London)

*“Factor exposures of foreign equity capital in domestic stock market”*  
Lingxia Sun and **Dong Wook Lee** (Korea University Business School)

Discussant: Chunmei Lin (Erasmus University Rotterdam)

*“Mutual Funds and Information Diffusion: The Role of Country Governance”*

**Chunmei Lin** (Erasmus University Rotterdam), Massimo Massa (INSEAD) and Hong Zhang (INSEAD and CKGSB)

Discussant: Dong Wook Lee (Korea University Business School)

**Finance and Growth – Room 2003**

Chair: Barbara Casu (Cass Business School, City University London)

*“Credit constraints, equity market liberalization, and growth rate asymmetry”*

**Alexander Popov** (European Central Bank)

Discussant: Stefanie Kleimeier (Maastricht University)

*“Credit Constraints, Political Instability, and Capital Accumulation”*

**Risto Herrala** (Bank of Finland Research Institute for Economies in Transition (BOFIT)) and Rima Turk Ariss (Lebanese American University)

Discussant: Dennis Reinhardt (Bank of England)

**16:00-16:30**

**Tea and Coffee – 2<sup>nd</sup> Floor Milling Area**

16:30-18:00 **Keynote Speech (Auditorium LG001)** *“Dynamics of Debt, Growth and Taxation”*  
Viral Acharya (Starr Professor of Economics, Leonard N. Stern School of Business)

19:00-21:00 **Reception – City of London Marketing Suite**

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## Friday 9th May 2014

08:15-09:00 **Tea and Coffee – 2<sup>nd</sup> Floor Milling Area**

09:00-10:30 **Session 4 Financial Contagion 2 – Room 2002**

Chair: Elena Kalotychou (Cass Business School, City University London)

*“Institutional investors Flows and the Geography of Contagion”*  
**Damien Puy** (Banque de France)

Discussant: Horacio Sapriza (Federal Reserve Board)

*“Country Transparency and the Global Transmission of Financial Shocks”*

**Gaston Gelos**, Luis Brandao Marques and Natalia Melgar (International Monetary Fund)

Discussant: Eli Remolona (Bank for International Settlements)

*“What makes systemic risk systemic? Contagion and spillovers in the international sovereign debt market”*

Elena Kalotychou (Cass Business School), **Eli Remolona** (Bank for International Settlements) and Eliza Wu (University of Technology, Sydney)

Discussant: Brent Glover (Carnegie Mellon University)

### **Monetary Policy – Room 2003**

Chair: Stelios Makrydakis (European Central Bank)

*“Global Corporate Bond Issuance: What Role for US Quantitative Easing?”*

Marco Lo Duca (European Central Bank), **Giulio Nicoletti** (European Central Bank) and Ariadna Vidal Martinez (European Central Bank)

Discussant: Cyril Rebillard (Banque de France)

*“Two Targets, Two Instruments: Monetary and Exchange Rate Policies in Emerging Market Economies”*

**Atish R. Ghosh**, Jonathan D. Ostry, and Marcos Chamon (International Monetary Fund)

Discussant: Menno Middeldorp (Bank of England)

*“Capital controls and spillover effects: evidence from Latin-American countries”*

Frederic Lambert (International Monetary Fund), Julio Ramos-Tallada and **Cyril Rebillard** (Banque de France)

Discussant: Atish R. Ghosh (International Monetary Fund)

### **Corporate Finance – Room 2004**

Chair: Meziane Lasfer (Cass Business School, City University London)

*“Politically connected firms in Poland and their access to bank financing”*

Iftekhar Hasan (Fordham University and Bank of Finland), Krzysztof Jackowicz (Kozminski University), **Oskar Kowalewski** (Kozminski University, Warsaw School of Economics and European-University Viadrina) and Łukasz Kozłowski (BGŻ SA)

Discussant: Daniela Fabbri (Cass Business School, City University London)

*“Whence the privatized firm payout premium?”*

Abhinav Goyal (University of Liverpool), Shrikant Jategaonkar (Southern Illinois University), William L. Megginson (University of Oklahoma) and **Cal Muckley** (University College Dublin)

Discussant: Oskar Kowalewski (Kozminski University)

10:30-11:00

**Tea and Coffee – 2<sup>nd</sup> Floor Milling Area**

11:00-12:30 **Session 5**

**Banking 2 – Room 2002**

Chair: Ian Marsh (Cass Business School, City University London)

*“Measuring Systemic Risk in the European banking sector: A Copula CoVaR approach”*

**Emmanouil N. Karimalis** and Nikos Nomikos (Cass Business School, City University London)

Discussant: Faek Menla Ali (Brunel University)

*“Regional Inflation and Financial Dollarization”*

Ralph De Haas, Martin Brown and **Vladimir Sokolov** (European Bank for Reconstruction and Development)

Discussant: Natalia Podlich and Klaus Duellmann (Deutsche Bundesbank)

*“Bank regulation, the quality of institutions and banking risk in emerging and developing countries: An empirical analysis”*

Jeroen Klomp (Wageningen University) and **Jakob de Haan** (University of Groningen, De Nederlandsche Bank and CESifo)

Discussant: Takayuki Tsuruga (Kyoto University)

### **Foreign Exchange 2 – Room 2003**

Chair: Kate Phylaktis (Cass Business School, City University London)

*“Fluctuations in capital inflows, sterilized intervention and the real exchange rate”*

Olivier Blanchard, Irineu de Carvalho Filho and **Gustavo Adler** (International Monetary Fund)

Discussant: Pablo Federico (Blackrock)

*“Assessing interdependence among countries' fundamentals and its implications for exchange rate misalignment estimates: An empirical exercise based on GVAR”*

**Emerson Fernandes Marçal** (Sao Paulo School of Economics and CSSA-Mackenzie), Beatrice Zimmermann, Diogo de Prince and Giovanni Merlin (Sao Paulo School of Economics)

Discussant: Phornchanok Cumperayot (Chulalongkorn University)

*“The Linkage between Large Currency Swings and Fundamentals”*

**Phornchanok Cumperayot** (Chulalongkorn University) and Casper G. de Vries (Erasmus University Rotterdam and Chapman University)

Discussant: Emerson Fernandes Marçal (Sao Paulo School of Economics and CSSA-Mackenzie)

12:30-14:30

**Lunch – The Hub Restaurant (3<sup>rd</sup> Floor)**

14:30-16:00

**Session 6**

**International Investment 2 – Room 2002**

Chair: Ian Marsh (Cass Business School, City University London)

*“The role of financial education in international portfolios during the recent financial crisis”*

**Udichibarna Bose**, Ronald MacDonald, Serafeim Tsoukas (University of Glasgow)

Discussant: Alessio Ciarlone (Bank of Italy)

*“Why Invest in Emerging Markets?”*

Eric Ghysels (UNC and CEPR), **Alberto Plazzi** (University of Lugano and SFI) and Rossen Valkanov (UCSD)

Discussant: Udichibarna Bose, (University of Glasgow)

*“Are Sovereign Wealth Funds Contrarian Investors?”*

**Alessio Ciarlone** (Bank of Italy) and Valeria Miceli (Università

Cattolica)

Discussant: Alberto Plazzi (University of Lugano)

### **Financial Crisis 2– Room 2003**

Chair: David Lodge (European Central Bank)

*“Sovereign Defaults by Currency Denomination”*

**Alexandre Jeanneret** (HEC Montréal), Eric Paget-Blanc (FITCH Ratings and University of Evry) and Slim Souissi (TELECOM Business School)

Discussant: Christopher Hartwell (Institute for Emerging Market Studies)

*“Do international institutions affect financial markets?: Greek sovereign debt crisis”*

Marianne Gogstad (Statoil), Ali M. Kutan (Southern Illinois University Edwardsville) and **Yaz Gulnur Muradoglu** (Queen Mary, University of London)

Discussant: Alexandre Jeanneret (HEC Montréal)

*“If You’re Going Through Hell, Keep Going: Non-linear Effects of Financial Liberalization in Transition Economies”*

**Christopher Hartwell** (Institute for Emerging Market Studies)

Discussant: Yaz Gulnur Muradoglu (Queen Mary, University of London)

### **Capital Flows 2 – Room 2004**

Chair: Kate Phylaktis (Cass Business School, City University London)

*“Hot money in bank credit flows to emerging markets during the banking globalization era”*

**Kate Phylaktis**, Ana-Maria Fuertes and Cheng Yang (Cass Business School, City University London)

Discussant: Lucio Sarno (Cass Business School, City University London)

*“What Drives International Portfolio Flows?”*

**Lucio Sarno** (Cass Business School, City University London and CEPR), Ilias Tsiakas (University of Guelph) and Barbara Ulloa (Cass Business School, City University London and Central Bank of Chile)

Discussant: Gino Cenedese (Bank of England)

*“What drives international capital flows? A return decomposition approach”*



**Gino Cenedese** (Bank of England) and Enrico Mallucci (London School of Economics)

Discussant: Dagfinn Rime (Norges Bank and BI Norwegian Business School)

**16:00-16:30**

**Tea and Coffee – 2<sup>nd</sup> Floor Milling Area**

**16:30-18:00**

**Keynote  
Speech  
(Auditorium  
LG001)**

*“International monetary system and international capital flows”*  
Hélène Rey (Professor of Economics London Business School)

**19:00-23:00**

**Conference Dinner – Haberdashers Hall**  
After dinner speaker Bilal Hafeez (Deutsche Bank)

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**Organisers:**

Kate Phylaktis, Cass Business School, City University London  
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**Venue:**

Cass Business School  
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London EC1Y 8TZ  
A map can be found at <http://www.cass.city.ac.uk/about/location/findus.html>

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