Eleventh Conference of the ECB-CFS Research Network
on
The Market for Retail Financial Services: Development, Integration, and Economic Effects

Prague, 20-21 October 2008

Conference Centre of the Czech National Bank
(the former Corn Exchange Building)
Senovážné náměstí 30, Prague 1

Programme

Day I (Monday, 20 October 2008)

8:30-9:00 Registration and morning coffee

9:00-9:20 Opening remarks (Hall I)
Zdeněk Tůma (Governor, Česká národní banka)

9:20-11:00 Session I: Retail Banks: Competition, M&As and Cross-Border Issues (Hall I)
Chair: Peter Mooslechner (Oesterreichische Nationalbank)

Ben Craig (Federal Reserve Bank of Cleveland): Bank mergers and the dynamics of deposit interest rates
with V. Dinger (University of Bonn)

Adrian van Rixtel (Banco de España): Impact of bank competition on the interest rate pass-through in the Euro area
With M. van Leuvensteijn (CPB Netherlands Bureau for Economic Policy Analysis), C. Kok Sorensen (European Central Bank), and J. Bikker (De Nederlandsche Bank)

Discussant: Jiri Podpiera (Česká národní banka)

11:00-11:20 Coffee break
Parallel Sessions

Session IIA: Payment Systems (Hall I)
Chair: Cornelia Holthausen (European Central Bank)

Sujit Chakravorti (Federal Reserve Bank of Chicago): Consumer choice and merchant acceptance of payment media
with W. Bolt (De Nederlandsche Bank)

Kari Kemppainen (Bank of Finland): Integration of European retail payment systems: some economics of SEPA

Discussant: Henri Pages (Banque de France)

Session IIB: Retail Banking Integration and Access to Credit (Hall II)
Chair: Jan Frait (Česká národní banka)

Kartik Athreya (Federal Reserve Bank of Richmond): A quantitative theory of information and unsecured credit
with X. Tam (University of Virginia) and E. Young (University of Virginia)

Aarti Rughoo (London Metropolitan University): Integration in the European retail banking sector: evidence from savings and lending rates
with Nicholas Sarantis (London Metropolitan University)

Discussant: Christa Hainz (Ifo Institute for Economic Research)

12:40-14:00 Lunch

14:00-14:45 Keynote speech: The Role of Retail Finance for Financial Markets Efficiency and Stability (Hall I)

Gertrude Tumpel-Gugerell (Member of the Executive Board, European Central Bank)

14:45 - 16:25 Parallel Sessions

Session IIIA: Recent Developments in Retail Finance (Hall I)
Chair: Jan Pieter Krahnen (Goethe University – Frankfurt and Center for Financial Studies)

Carole Bernard (University of Waterloo): Structured investment products and the retail investor
with P. Boyle (Wilfrid Laurier University)

Kjell Suemegi (Vienna University of Economics and Business Administration): Development and economic effects of the insurance sector in CEE and mature European economies - a theoretical and empirical analysis
with P. Haiss (Vienna University of Economics and Business Administration)

Jos van Bommel (University of Oxford): Endless leverage certificates
with S. Rossetto (University of Warwick)

Discussant: Daniel Dorn (Drexel University)
Session IIIB: Retail Finance in the New EU Member States (Hall II)
Chair: Katerina Smidkova (Česká národní banka)

Anita Taci (European Bank for Reconstruction and Development): What determines banks’ customer choice? Evidence from transition countries
with D. Ferreira (London School of Economics) and R. de Haas (European Bank for Reconstruction and Development)

Petr Zemcik (CERGE-EI): The impact of mortgages, house prices, and rents on household consumption in the Czech Republic
with R. Sec (CERGE-EI)

Discussant: Balazs Egert (OECD)

16:25-16:40 Coffee break

16:40-18:00 Panel: Integration of Banking Supervision (Hall I)
Chair: Ignazio Angeloni (Adviser to the Executive Board, European Central Bank)

Panelists:
- Miroslav Singer (Vice Governor, Česká národní banka)
- Kari Kemppainen (Bank of Finland)
- Vítor Gaspar (Acting Director General of the Bureau of European Policy Advisors, EU Commission)

19:30 Departure by bus from the CNB Conference Centre (Senovážné náměstí 30, Prague 1)

20:00 Informal buffet dinner at the Klášterní pivovar
(Monastic brewery and the restaurant of St Norbert at the Strahov Monastery of Premonstratensians)
Address: Strahovské nádvoří 301, Praha 1

Dinner speech. Topic: What can we learn from the crisis
Andreas Treichl (CEO Erste Bank)

22:30 (aprox.) Departure by bus back to the CNB Conference Centre
Day II (Tuesday, 21 October 2008)

8:30-9:00  Morning coffee

9:00-10:40  Parallel sessions

Session IVA: Retail Finance and SMEs (Hall I)
Chair: **Ignazio Angeloni** (Adviser to the Executive Board, European Central Bank)

**Santiago Carbo-Valverde** (Federal Reserve Bank of Chicago): *Bank lending, financing constraints and SME investment*
with G. Udell (Indiana University) and F. Rodriguez-Fernandez (University of Granada)

**Hannah Hempel** (Deutsche Bundesbank): *Rate dispersion in retail banking - do local factors still matter?*
with K.-H. Fischer (Goethe University – Frankfurt)

**Klaus Schaeck** (Bangor Business School – University of Wales): *Small and medium-sized enterprises, banking relationships, and the use of venture capital*
with A. Berger (University of South Carolina)

Discussant: **Alexander Popov** (European Central Bank)

Session IVB: Retail Finance: a Practical Angle (Hall II)
Chair: **Heiko Schmiedel** (European Central Bank)

**Dubravko Mihaljek** (Bank for International Settlements): *The financial stability implications of increased capital flows for emerging market economies*

**Markus Eller** (Oesterreichische Nationalbank): *Private sector credit in CEE countries: Recent developments and policy implications*
with P. Backe (Oesterreichische Nationalbank), B. Egert (OECD Economics Department) and T. Zumer (Banka Slovenije)

**Nicole Jonker** (De Nederlandsche Bank): *Towards a European payments market: survey results on cross-border payment behaviour of Dutch consumers*
with A. Kosse (De Nederlandsche Bank)

Discussant: **Michiel van Leuvensteijn** (Utrecht University)

10:40-11:00  Coffee break

11:00-12:20  Panel: Current Financial Turmoil and Retail Investors: Market Participants’ View (Hall I)
Chair: **Hans-Helmut Kotz** (Member of the Executive Board, Deutsche Bundesbank)

Panelists:

- **Radek Urban** (Director Asset Management, Ceska Sporitelna)
- **Costa Vayenas** (Executive Director, UBS AG, Wealth Management Research, Zurich)
- **Jim Strang** (Director of Fund Investments, Dunedin Capital Partners)
12:20-13:00 **Keynote speech: Competition and Regulation in Retail Finance: A Pan-European Perspective** (Hall I)

Roman Inderst (IMFS, Goethe University - Frankfurt)

13:00-14:20 Lunch

14:20-16:00 **Session V: Mortgage Markets and the Monetary Transmission Mechanism (Hall I)**

Chair: Francesco Drudi (European Central Bank)

- **Christian Beer** (Vienna University): *Borrowing in foreign currency: Austrian households as carry traders*
  with S. Ongena (Tilburg University) and M. Peter (Swiss National Bank)

- **Deniz Igan** (International Monetary Fund): *Credit booms and lending standards: evidence from the subprime mortgage crisis*
  with G. Dell’Ariccia (International Monetary Fund) and L. Laeven (International Monetary Fund)

- **Angela Maddaloni** (European Central Bank): *Does monetary policy affect bank credit standards?*
  with J-L. Peydro Alcalde (European Central Bank) and Silvia Scoppel (European Central Bank)

**Discussant: Vicente Cunat** (London School of Economics)

16:00-16:30 **Closing Remarks**

Philipp Hartmann (European Central Bank)