



2020 FINEST Autumn Workshop

30 November – 1 December 2020

Conference Venue
Zoom

Organized by
Essex Finance Centre, Essex Business School U.K.

<http://www.finest-network.eu>

FINEST

Financial Intermediation Network of European Studies

The Financial Intermediation Network of European Studies (FINEST) acts as a research and discussion forum for banking and financial intermediation researchers and practitioners throughout Europe. FINEST operates as an open research network facilitating research and other analytical synergies among academic staff involved in various European universities as well as policymakers and financial sector practitioners.

The FINEST is a private non-profit association (network) of researchers from various universities, central banks, financial authorities, other research institutes and practitioners who are interested in exploring all aspects of banking and finance.

For those who wish to cooperate with FINEST activities, membership can be obtained upon request by any individual researchers from universities, central banks, financial authorities, other research institutes and practitioners who are interested in exploring all aspects of banking and finance.

Activities

1. Working papers. The working paper series gives the possibility to share the research effort among all interested researchers dealing with banking and financial intermediation issues. At the same time, working papers will be highly viewed in the academic environment. Working papers will be reviewed following a double-blind review system.
2. Research projects. FINEST promotes research groups, surveys and observatories on specific complex areas of banking and financial intermediation in Europe with the aim to originally contribute to international research on these issues.
3. Conferences. FINEST organizes periodical conferences on a specific banking and financial intermediation issue.
4. Workshops. FINEST promotes workshops to present high quality papers providing authors with a deep and open discussion before the paper submission to top academic journals.
5. Summer schools. FINEST organizes short summer courses on issues related to banking and financial intermediation in Europe for undergraduate and postgraduate students in accounting, economics, finance and management.

Workshop Organizers

Franco Fiordelisi, Essex Business School, University of Essex, U.K.

Claudia Girardone, Essex Business School, University of Essex, U.K.

FINEST President

Franco Fiordelisi, Essex Business School, University of Essex, U.K.

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Anjan Thakor, Olin Business School, Washington University in St. Louis, U.S.

Gregory F. Udell, Indiana University, U.S.

Notes on the Keynote Speaker

Manju Puri is the J. B. Fuqua Professor of Finance at the Fuqua School of Business, Duke University. She was earlier Associate Professor of Finance at Stanford Business School, which she joined after earning her Ph.D in finance at New York University and MBA from the Indian Institute of Management, Ahmedabad.

Professor Puri is an authority in the field of empirical corporate finance and has particular expertise in financial intermediation. Her published work spans the areas of commercial banks, investment banks, venture capital, entrepreneurship, behavioral finance, and FinTech. Her research has appeared in publications such as *American Economic Review*, *Journal of Finance*, *Journal of Financial Economics*, and *Review of Financial Studies*. She has been the recipient of the Sloan Research Fellowship as well as multiple awards from the National Science Foundation. Her publication record includes over 30 refereed papers in the top finance and economic journals. Her research has won many awards including four best paper awards at the FMA Annual Meetings, two Western Finance Association best paper awards, an All-Star award from *Journal of Financial Economics*, and three Fama-DFA /Jenson best paper awards in the *Journal of Financial Economics*.

Professor Puri serves as Editor of *Review of Financial Studies*. She earlier served as Editor of the *Journal of Financial Intermediation*, as well as on the editorial boards of several journals including *Journal of Finance*, *Journal of Money, Credit and Banking*, *Journal of Empirical Finance*, *Journal of Financial Research*, and *Journal of Financial Services Research*.

Professor Puri has served as the President of the Financial Intermediation Research Society. She has worked with multiple regulatory authorities serving on the Financial Advisory Roundtable, Federal Reserve Bank of New York and on the Model Validation Council, Board of Governors of the Federal Reserve System. She has also served on the Bose Committee on the commission structure of financial product distributors for the Government of India, and on the Advisory Board of CAFRAL, Reserve Bank of India. She currently serves on the International Association of Deposit Insurers (IADI) Advisory Panel, Basel, and as Senior Advisor, Center for Financial Research, Federal Deposit Insurance Corporation (FDIC). She is a senior academic fellow at the Asia Bureau of Finance and Economic Research. and a Research Associate with the National Bureau of Economic Research (NBER).

Notes on Discussants

Laura Blattner is an Assistant Professor of Finance at the Stanford Graduate School of Business. Her research interests are banking, corporate finance, and macroeconomics. Laura recently earned her Ph.D. at Harvard University. She also holds a B.A. in Philosophy, Politics and Economics and an M.Phil. in Economics from Oxford University.

Nicola Cetorelli is Vice President at the Federal Reserve Bank of New York and the Head of the Financial Intermediation Function in the Research Group. His research has focused on the industrial organization and the corporate finance characteristics of the banking industry and the relationships with real economic activity, and more recently on themes of international banking and on the evolution of financial intermediation. He has published in a number of scholarly journals, among which *The Journal of Finance*, *Journal of Economic Theory*, *American Economic Review*, and *Journal of International Economics*.

Douglas Cumming is the DeSantis Distinguished Professor of Finance and Entrepreneurship at the College of Business, Florida Atlantic University, and visiting Professor of Finance at Birmingham Business School, U.K. He has published over 185 articles in leading refereed academic journals, such as the Academy of Management Journal, Journal of Financial Economics, and Review of Financial Studies. He is the Founding Managing Editor-in-Chief of the Review of Corporate Finance (2021-). He is the Managing Editor-in-Chief of the British Journal of Management (2020-2022) and the Journal of Corporate Finance (2018-2020).

Leonardo Gambacorta is the Head of the Innovation and the Digital Economy unit at the BIS. His main interests include the monetary transmission mechanisms, the effectiveness of macroprudential policies on systemic risk, and the effects of technological innovation on financial intermediation.

Angela Maddaloni is Deputy Head of the Financial Research Division in the Directorate General Research of the European Central Bank. Her research and policy interest cover a wide range of topics related to macro-financial linkages, the transmission of monetary policy, credit and business cycles, and the impact of financial regulation. Her research has been published in the Journal of Financial Economics, the Review of Financial Studies, among others. She holds a PhD in Finance from Columbia University in New York.

Nadya Malenko is an Associate Professor of Finance at the University of Michigan, Ross School of Business. Her research examines shareholder voting, the design of corporate boards, shareholder activism, and the allocation of authority in organizations. Her papers have been published in The Journal of Finance, American Economic Review, Review of Financial Studies, and Journal of Financial Economics. She received her Ph.D. in Finance from Stanford University. She is an Associate Editor at The Journal of Finance, Review of Financial Studies, and Journal of Corporate Finance, and has served on the board of directors of the Financial Intermediation Research Society, Finance Theory Group, and Midwest Finance Association.

José-Luis Peydró, is a Professor of Finance at Imperial College Business School. His research on systemic risk, macroprudential policy and the causes and impact of financial crises has made a significant contribution to the development of a new regulatory paradigm for the financial sector following the 2008 financial crisis. His research interests span a wide range of factors affecting the stability of the financial system including credit markets, capital and liquidity, financial contagion, FinTech and innovation in banking and financial services, and the globalization of finance. His research has been published in the top journals in Economics and Finance such as Journal of Financial Economics, Review of Financial Studies, The Journal of Finance, American Economic Review, and Econometrica.

Enrico Sette is deputy head of the Firms and Regional Analysis Division in the Department of Economics and Statistics of the Bank of Italy. His research in banking and corporate finance has appeared in several academic journals, including the Review of Financial Studies, and the Journal of Financial Economics, among others.

Anjan Thakor is John E. Simon Professor of Finance at Washington University in St. Louis. He has served on the faculties of University of Michigan, Indiana University, Northwestern University and UCLA. He has worked with many companies, including Whirlpool Corporation, Allison Engine Co., Citigroup, RR Donnelley, Dana Corporation, Anheuser-

Busch, Zenith Corporation, Lincoln National Corporation, J.P. Morgan, Landscape Structures, Inc., CIGNA, Borg-Warner Automotive, Waxman Industries, Reuters, The Limited, Ryder Integrated Logistics, AT&T, CH2M Hill, Takata Corporation, Tyson Foods, Spartech and Bunge. He also served as an expert witness in many federal cases involving banking litigation. His research has been published in the top journals in Economics and Finance such as American Economic Review, The Journal of Finance, Journal of Financial Economics, and Review of Financial Studies.

Notes on the Presenters

Matteo Benetton is an Assistant Professor in the Finance Group at Berkeley Haas. Matteo received his PhD in economics at LSE in 2018 and his research has been awarded the EARIE Paul Geroski Prize for the most significant policy contribution and the first CEPR-TFI Household Finance Best Student Paper Award. His current work centers on the intersection between competition in the lending market, mortgage product design, and regulation.

Fabrizio Core obtained his PhD at the London School of Economics and he is currently Assistant Professor of Finance at the Erasmus School of Economics Rotterdam (NL).

Sebastian Doerr obtained his Ph.D. in Economics at the University of Zurich in 2019. He is currently an economist at the Bank for International Settlements, where he is part of the Innovation and the Digital Economy unit in the Monetary and Economic Department. His research analyses how macroeconomic trends, such as housing booms, population aging or inequality, affect the financial sector and the real economy. He also focuses on the consequences of financial innovation for competition, data privacy and credit supply. His papers have been published in the Journal of Financial Economics and Journal of International Money and Finance.

Mariassunta Giannetti is Professor of Finance at the Stockholm School of Economics, she holds a Ph.D. in Economics from the University of California, Los Angeles and completed her B.A. and M.Sc. at Bocconi University (Italy). She is also a CEPR research fellow in the financial economics program and a research associate of the ECGI. Professor Giannetti has broad research interests in corporate finance and financial intermediation. She studies both empirically and theoretically how formal institutions (such as investor protection) and informal institutions (such as culture and social norms) affect corporate finance, investor behavior, asset valuations, and economic and financial integration. Her publications have appeared in leading journals in Finance, Economics and Management, including The Journal of Finance, the Journal of Financial Economics, the Review of Financial Studies, American Economic Review, Journal of Financial and Quantitative Analysis, and Management Science.

Alexandros Kontonikas is a Professor of Finance and Head of the Finance Group at Essex Business School. His main research interests are on the links between monetary policy, asset pricing and bank behavior. He has acted as an academic research consultant for the European Central Bank, the European Commission, and the Bank of Finland. His work is published in several journals including the Review of Asset Pricing Studies and the Journal of Money Credit and Banking.

David Marques-Ibanez is a lead economist at the Financial Research Division of the European Central Bank. He previously worked at the Board of Governors of the Federal Reserve System as a senior economist. He has held visiting appointments at the Bank of Italy, Federal Reserve Bank of New York, International Monetary Fund, New York University and Columbia Business School. He works on financial intermediation and the transmission of monetary policy, financial innovation and financial stability.

Dennis Philip is Professor of Finance and Director of Centre for Banking, Institutions and Development at Durham University Business School, UK. His main research interests lie in the areas of corporate banking and household finance. More recent research focuses on using natural language processing techniques for measuring latent constructs in finance and studies emerging issues related to consumer fraud, data privacy, gender norms, and mental health, among others. He has advised central banks, financial regulators and community interest companies for the effective provision of financial education and financial inclusion. Several of his research works have been published in internationally renowned academic journals.

Raghavendra Rau is the Sir Evelyn de Rothschild Professor of Finance at Cambridge Judge Business School, U.K. He is also a past president of the European Finance Association, and a past editor of Financial Management. He is a founder and director of the Cambridge Centre for Alternative Finance (CCAF) and a member of the Cambridge Corporate Governance Network (CCGN). He is an Associate Editor of the Journal of Corporate Finance, the Journal of Banking and Finance, Financial Review, the Quarterly Journal of Finance, among others. His papers have been published in The Journal of Finance, Journal of Financial Economics, Management Science, and other journals.

Ilia Samarin obtained a PhD degree from Ghent University (Belgium) in October 2020. He is currently a research economist at the National Bank of Belgium. His research topics cover corporate finance and financial intermediation. Besides analyzing the relationship between bank sector specialization and zombie lending (joint with Olivier De Jonghe and Klaas Mulier), his research projects also investigate the effect of the Horizon 2020 subsidization program on the growth and innovation of the funded companies (joint with Klaas Mulier) as well as the impact of the negative interest rate policy on banks' balance sheet composition (joint with Björn Imbierowicz).

Programme

30 November 2020

14.00 (GMT)

Zoom room opens

14.10-14.30 (GMT)

Opening remarks

Neil Kellard, Dean of the Essex Business School

Franco Fiordelisi, President of FINEST and Essex Business School

Session 1

Chair: John Wilson, University of St. Andrews

14.30-15.15 (GMT)

Title: **The Cost of Privacy Failures: Evidence from Bank Depositors' Reactions to Breaches**

Authors: Christian Engels, Bill Francis, [Dennis Philip](#)

Discussant: Nadya Malenko (Ross School of Business, University of Michigan)

15.15-16.00 (GMT)

Title: Unconventional Monetary Policy and the Search for Yield

Authors: John Kandrak, Sotirios Kokas, [Alexandros Kontonikas](#)

Discussant: Angela Maddaloni (European Central Bank)

Comfort break

Session 2

Chair: Sheri Markose, University of Essex, UK

16.15-17.00 (GMT)

Title: **Law, trust, and the development of crowdfunding**

Authors: [P. Raghavendra Rau](#)

Discussant: Douglas Cumming (Florida Atlantic University, U.S)

17.00-17.45 (GMT)

Title: **Inside the Regulatory Sandbox: Effects on Fintech Funding**

Authors: G. Cornelli, [S. Doerr](#), L. Gambacorta, O. Merrouche

Discussant: Laura Blattner (University of Stanford)

17.45-18.30 (GMT)

Title: **Who Lends Before Banking Crises? Evidence from the International Syndicated Loan Market**

Author: Mariassunta Giannetti, Yeejin Jang

Discussant: Anjan Thakor (WUSTL, Olin Business School)

1 December 2020

14.00 (GMT)

Zoom room opens

14.10-14.15 (GMT)

Introduction: Claudia Girardone, Essex Business School, UK

Session 3

Chair: Mario Quagliariello, European Banking Authority

14.15-15.00 (GMT)

Title: **Public Guarantees for Small Businesses in Italy during Covid-19**

Authors: Fabrizio Core, Filippo De Marco

Discussant: José-Luis Peydró (Imperial College London, U.K. Universitat Pompeu Fabra Spain)

15.00-15.45 (GMT)

Title: **Selling to Unsophisticated Investors: Evidence from European Banks**

Authors: Franco Fiordelisi, David Marques-Ibanez, George Pennacchi, Giulia Scardozzi

Discussant: Leonardo Gambacorta (Bank for International Settlements)

Keynote Speech

15.45-16.30 (GMT)

Title: **Private Equity and Financial Stability**

Manju Puri (J.B. Fuqua Professor, Fuqua School of Business, Duke University, USA)

Comfort break

Session 4

Chair: Amine Tarazi, University of Limoges

16.45-17.30 (GMT)

Title: **Bank Specialization and Zombie Lending: Evidence from Belgium**

Author: Olivier De Jonghe, Klaas Mulier, Ilia Samarin

Discussant: Enrico Sette (Banca d'Italia)

17.30-18.15 (GMT)

Title: **Captive Lending as Liquidity in Distress**

Authors: Matteo Benetton, Sergio Mayordomo, Daniel Paravisini

Discussant: Nicola Cetorelli (Federal Reserve Bank of New York)

Concluding Remarks



Contact:
Financial Intermediation Network of European Studies (FINEST)
University of Rome III
Department of Business Studies
Via S. D' Amico 77
00145 Rome, Italy
e-mail: info@finest-network.eu

The FINEST is a private association (network) of researchers from various European universities, central banks, financial authorities, other research institutes and practitioners who are interested in exploring all aspects of banking and finance.

The FINEST is hosted by the University of Rome III, Italy. The FINEST is widely supported by various academic research centers as:

- Institute for European Finance, Bangor University, U.K.
- Laboratoire d'Analyse et de Prospective Economiques, Université de Limoges, France
- Centre for Responsible Banking and Finance, University of St. Andrew , U.K.
- Centre for Banking Research, Cass Business School, U.K.
- The Libera Università del Mediterraneo (LUM), Italy
- Essex Finance Centre, Business School, U.K.
- Banking, Risk and Intermediation (BRI) research group, Durham Business School, U.K.
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All those that wish to cooperate with FINEST activities can join the Network. Membership can be asked by individual researchers from universities, central banks, financial authorities, other research institutes and practitioners who are interested in exploring all aspects of banking and finance.

For further details, please visit:
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or contact:
info@finest-network.eu