



2016 FINEST Winter Workshop

30 November 2016

Hosted by:

Università di Roma Tre, Department of Business Studies

Via S. D'Amico 77, Rome, Italy

Sala Lauree (Ground floor)

Main Sponsors:



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. The FINEST is currently hosted by the Università di Roma Tre, Italy.

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.

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 (e.g. annual or bi-annual) 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.

Contact:

Financial Intermediation Network of European Studies (FINEST)
Università di Roma Tre, Via S. D'Amico 77, 00145 Rome, Italy, 4 floor, Room 23
phone: +39 0657 335 717
e-mail: finest@uniroma3.it

Workshop Organizers

Franco Fiordelisi, Università di Roma Tre, Italy and Middlesex Business School, UK

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Notes on the Keynote Speaker and Invited Discussants

Emilia Bonaccorsi di Patti is a senior economist in the Financial Structure and Intermediaries Research Division of the Bank of Italy. Her current research interests include scale economies in banking, small business lending and credit relationships, the role of information in credit contracts, the effects of institutions on credit market development. She widely published in top financial journals, as *The Journal of Finance*, *Journal of Money, Credit and Banking*, and *Journal of Banking and Finance*.

Nicola Cetorelli is an Assistant Vice President in the Financial Intermediation Function at the Federal Reserve Bank of New York. Prior to joining the New York Fed, he was a Senior Economist at the Federal Reserve Bank of Chicago. His research has focused on the industrial organization and the corporate finance characteristics of the banking industry and the relationships with real economic activity. More recently he has worked on themes of international banking and related to 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*, *Journal of International Economics*. He has also written many articles in various policy journals and book chapters as well. He received his Ph.D. in Economics from Brown University and a B.A. from the University of Rome, Italy.

Bill B. Francis is Warren H. and Pauline U. Bruggeman Distinguished Professor of Finance at the Lally School of Management of the Rensselaer Polytechnic Institute, US, where is also Director of the Ph.D. Program, Area Coordinator of Accounting and Finance. He conducts his research on issues in initial public offerings, corporate restructurings, and international asset-pricing. He has published numerous articles in reputed finance and economics journals such as *the Journal of Financial Economics*, *the Review of Financial Studies*, *the Journal of Financial and Quantitative Analysis*, *the Journal of Banking and Finance*, *the Journal of Corporate Finance*, *the Journal of International Money and Finance*, and *the Journal of Money, Credit and Banking*. He is currently on the Editorial Board of the *Journal of Financial Stability*.

Giorgio Gobbi is an economist at the Bank of Italy since 1990. He is currently the Head of the Financial Stability Directorate at the Bank of Italy in Rome. His research interests include bank competition and bank structural issues, small business lending, corporate finance and consumer finance. His work has been published in international academic journals, including *The Journal of Finance*, *Review of Finance*, *Journal of Banking and Finance*, and *Journal of Financial Services Research*.

Iftekhar Hasan is the E. Gerald Corrigan Chair in International Business and Finance at Fordham University's Schools of Business and co-director of the Center for Research in Contemporary Finance. He serves as the scientific advisor at the Central Bank of Finland and as president of the Eurasia Business and Economics Society. He is the managing editor of the *Journal of Financial Stability*. His research interests are in the areas of financial institutions, corporate finance, capital markets and entrepreneurial finance. He has been or continues to be an associate editor for a number of journals, including *the Journal of Money, Credit and Banking*; *Journal of Banking and Finance*; and *Journal of International Money and Finance*. He has been a consultant for numerous international organizations, including the World Bank, the IMF, the United Nations, the Federal Reserve Bank of Atlanta, the Banque de

France and the Italian Deposit Insurance Corporation. He is a research fellow at the Berkley Center of Entrepreneurial Studies at New York University's Stern School of Business and serves on the advisory board of the Center for Financial Studies at the Rensselaer Polytechnic Institute. He is a Fulbright (Specialist) Scholar and holds an honorary PhD from the Romanian-American University in Bucharest. He has held visiting faculty positions at several American and European universities, including the University of Rome, Italy; the University of Strasbourg, France; the University of Carlos III, Madrid; EPFL at Lausanne, Switzerland; the University of Limoges, France; National Taiwan University at Taipei; the University of Romania at Bucharest; and NYU's Stern School of Business.

Notes on the Presenters, Panelists and Chairs

Ephraim Clark is professor of finance at the Middlesex Business School in London, UK. He serves on the editorial boards of a number of scholarly journals and is the founding editor of the European Journal of Finance. He is the author of eight books, over ninety academic and professional papers in journals such as Management Science, Journal of International Money and Finance, Journal of Banking and Finance, European Journal of Operational Research, and others.

Olivier De Jonghe is associate professor (with tenure) at the department of finance at Tilburg University, and a Fellow of the European Banking Center. His empirical research focuses on various aspect of banking, such as the impact of bank business models on bank risk-taking and financial stability, bank competition and stability, capital structure and regulation, bank-firm relationships and shock transmission, and lending specialization.

Franco Fiordelisi is professor of banking and finance at the University of Rome III, Italy. He is also (part-time) professor of Finance at the Middlesex Business School in London, UK, and affiliated faculty member at the SDA Bocconi in Milan, Italy. His work has been published in various finance journals such as the Journal of Financial and Quantitative Analysis, Review of Finance, Journal of Corporate Finance, Journal of Banking and Finance, and Journal of International Money and Finance.

Demetris Koursaros is lecturer in economics and finance at the Cyprus University of Technology. Demetris received his PhD from Columbia University and his BA from the University of Cyprus. He focuses on Macroeconomics, Monetary Economics and Banking, using DSGE models.

Mike Mariathasan is Assistant Professor at the KU Leuven University, Belgium. He has a Ph.D. from the European University Institute (EUI) and was a Postdoc in Oxford, UK. He has published a paper in the Journal of Financial Intermediation, and Economic Policy.

Francesco Masala is the head of economic research unit, Italian Banking Association. He is also responsible for managing ABI's relationship with international analysts. He has held various positions within the committees and working groups of the European Banking Federation. He is also a member of the "Prudential Supervision Working Group" at the International Banking Federation.

Philip Molyneux is professor of banking and finance, and the Dean of the College of

Business, Law, Education and Social Sciences at Bangor Business School, UK. His main area of research is on the structure and efficiency of banking markets and he has published widely in this area. He has also published a variety of texts on banking areas and in the past has acted as a consultant to: New York Federal Reserve Bank, World Bank, European Commission, UK Treasury; Citibank Private Bank, Barclays Wealth, McKinsey & co, Credit Suisse and various other international banks and consulting firms.

Maurizio Murgia is professor of finance at the Faculty of Economics and Management of the Free University of Bolzano-Bozen in Italy . His previous academic appointments have been at the Cass Business School (UK) and University of Pavia (Italy). His research in corporate finance and financial markets has been published in several international journals, including the Journal of Finance, Review of Financial Studies, and Journal of Banking and Finance.

Nikolaos I. Papanikolaou is a lecturer in banking and finance at the School of Business, Management, and Economics of the University of Sussex, UK. He has also held several visiting scholar positions at the Stern School of Business at New York University, the Department of Economics at University of Illinois, and the Department of Banking and Finance at Chulalongkorn University in Thailand. His research has been published in several academic journals like the Journal of Banking and Finance, the Journal of Financial Stability, and others.

Federica Poli is associate professor of banking and finance at the Catholic University of Milan, Italy. Her research interests are in the areas of financial institutions, lending, cooperative banking and entrepreneurial finance. She has published a paper in the European Financial Management.

Enzo Serata is the head of the Banking Supervision Directorate, whose main duties are: support the ECB within the Joint Supervisory Teams in the supervision of significant Italian banking groups, supervise subsidiaries and branches of foreign banks, support Banca d'Italia representatives within the ECB Supervisory Board. He held several positions on behalf of Banca d'Italia in various international groups (including the Senior Supervisors Group; the Supervisory Intensity and Effectiveness group of the Financial Stability Board; and the Cross-Border Crisis Management Group of the Financial Stability Board).

Francesco Saverio Stentella Lopes is lecturer in finance at the Bangor University, UK. He was visiting research fellow at the Olin Business School (US). His research interests focus on empirical studies in financial intermediation, economic expectations, M&A and corporate culture. He has published papers in the Journal of Financial and Quantitative Analysis, and Journal of Banking and Finance.

Amine Tarazi is a professor of economics and finance at the University of Limoges (France) where he is currently the Director of a research center, LAPE, and Head of the Economics department. His current research interests relate to financial institutions, bank risk and prudential regulation. His work has appeared in journals such as the Journal of Financial Economics, Review of Finance, Journal of Banking and Finance, Journal of International Money and Finance, Journal of Economic Behavior and Organization, Journal of Economic Surveys, Journal of Comparative Economics, Applied Economics, Journal of Financial Services Research and others.

Program

08.30-9.00

Registration

09.00-9.15

Welcome remarks

Session 1

Chair: Amine Tarazi

09.15-10.00

Title: **Bank Opaqueness and Intermediation**

Authors: Panayiotis C. Andreou, Demetris Koursaros, Dennis Philip, and Peter P. Robejsek

Discussant: Emilia Bonaccorsi di Patti

10.00-10.45

Title: **Bank Capital (requirements) and Credit Supply: Evidence from Pillar 2 Decisions**

Authors: Olivier De Jonghe, Steven Ongena and Hans Dewachter

Discussant: Giorgio Gobbi

Session 2

Chair: Ephraim Clark

10.45-11.30

Title: **Corporate Culture and Enforcement Actions in Banking**

Authors: Roy Cerqueti, Franco Fiordelisi, Raghu Raghavanda,

Discussant: Nicola Cetorelli

11.30-12.15

Title: **Bank Profitability and Risk-Taking when Interest Rates are Negative**

Authors: Mike Mariathasan, Christoph Basten

Discussant: Iftekhar Hasan

Lunch

12.30-14.00

Modo Restaurant,

Via Ostiense, 415, 00100 Rome

(see the map at page 10)

14.00-15.00

Round table: NPL in Italy: Threats and Opportunities

Panellist: Francesco Masala (TBC), Phil Molyneux, Enzo Serata.

The roundtable is organized in collaboration with the “Centro di Studi su Mercati e Relazioni Industriali” (CESMER).

Session 3

Chair: Maurizio Murgia

15.00-15.45

Title: **Applying Benford's Law to Detect Data Manipulation in the Banking Industry**

Authors: Nikolas Papaniloau, Theoharry Grammatikos

Discussant: Nicola Cetorelli

15.45-16.30

Title: **Corporate Culture and Innovation**

Authors: Franco Fiordelisi, Luc Renneboog, Ornella Ricci, Francesco Saverio Stentella Lopes

Discussant: Bill Francis

16.30-17.15

Title: **Bank Moral Hazard and Deposit Insurance in Europe**

Authors: Laura Chiaramonte, Claudia Girardone, Milena Migliavacca, Federica Poli

Discussant: Iftekhar Hasan

17.15-17.30

Concluding remarks

Reception and Gala Dinner

20.00 onwards

Ristorante da Isidoro,

via S. Giovanni in Laterano, 59/a, 00184 Roma

(see the map at page 10)

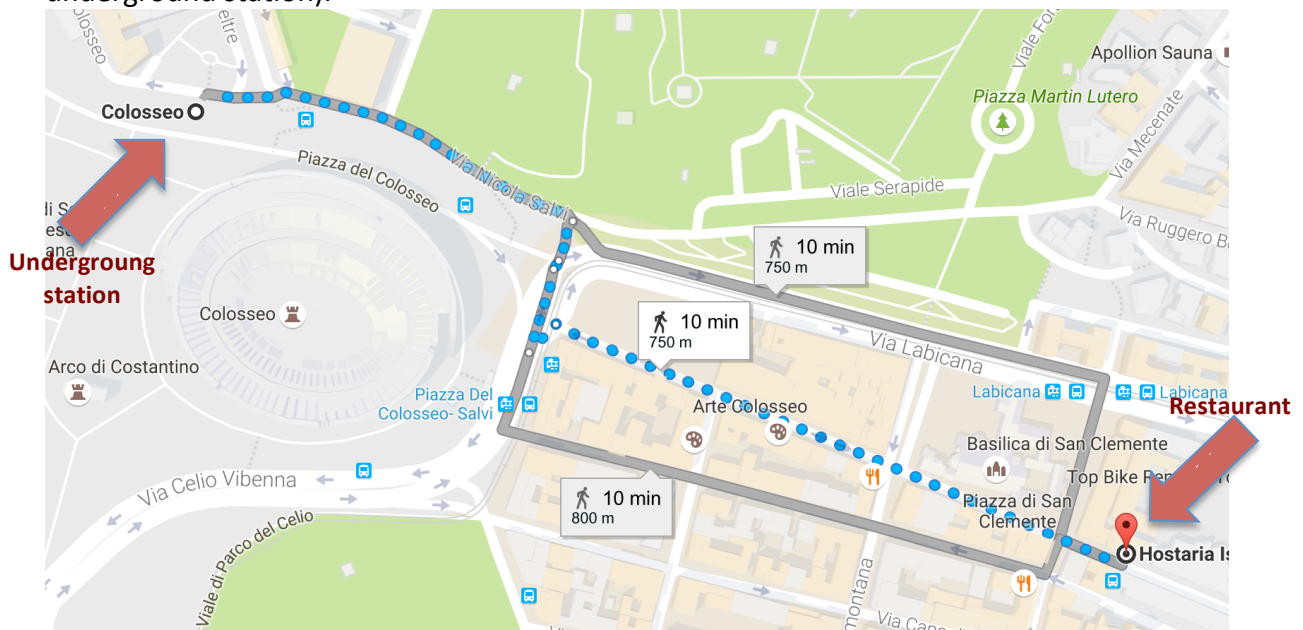
Lunch:

The restaurant (Modo, via Via Ostiense, 415) is 5 minutes walking distance from the workshop venue.



Dinner

The closest underground station is Colosseo (Blue line). The restaurant (Ristorante da Isidoro, via S. Giovanni in Laterano, 59/a) is 10 minutes walking distance from the the underground station).





Contact:
Financial Intermediation Network of European Studies (FINEST)
 University of Rome III
 Department of Business Studies
 Via S. D'Amico 77
 00145 Rome, Italy
 4 floor, Room 15
 phone: +390657335717
 fax: +390657335797
 e-mail: finest@uniroma3.it

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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, Essex University, U.K.
- ❖ Banking, Risk and Intermediation (BRI) research group, Durham Business School, U.K.
- ❖ Credifact, Italian Factoring Association, Italy
- ❖ Banking, Investment and Finance Association, Middlesex University, U.K.

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:

www.finet.uniroma3.it

