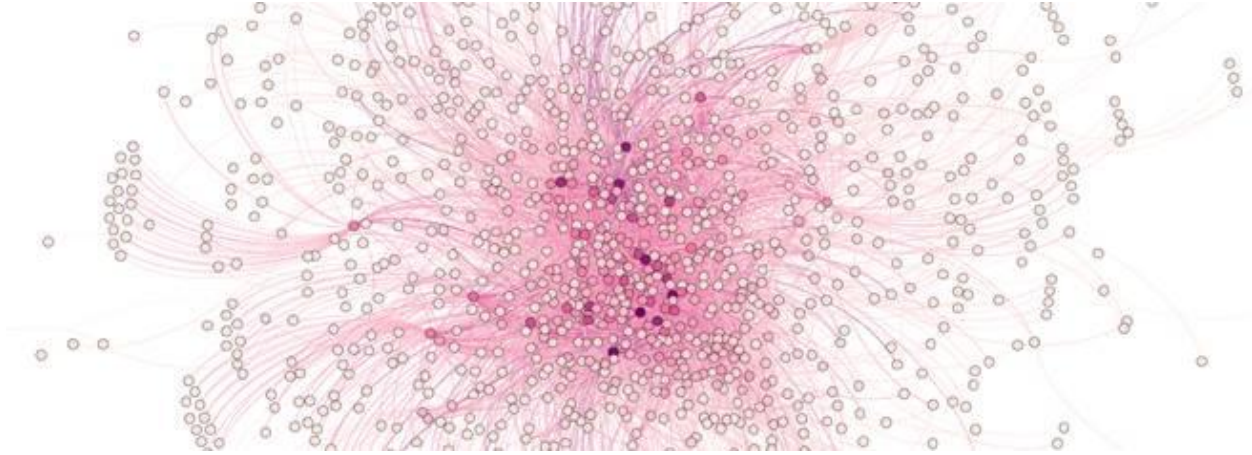


# InterConnectedness Newsletter

## Fall 2015



### CONFERENCE ANNOUNCEMENTS

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- The Conf. “Global Financial Interconnectedness” will take place in Basel during Oct 1-2. Deadline: **Jun 1**. Special issue in the *Review of Finance*. <http://www.bis.org/events/gfi.htm>
- The 7th EBC Conf. on Financial Sector Developments and the Performance of the Entrepreneurial Firm will take place in Tilburg during Oct 29-30. Deadline: **Jun 7**. <https://www.tilburguniversity.edu/research/institutes-and-research-groups/ebc/events/show/item-european-banking-center-conference-ebc/>
- The Paris December 2015 Finance Meeting will take place on Dec 17 in Paris. Deadline: **Jun 4**. <https://www.eurofidai.org/december2015.html> c
- Two special sessions on Systemic Financial Risk Analytics will be organized as part of the 20th IEEE Symposium on Computational Intelligence for Financial Engineering & Economics (CIEFr) and the 49th Hawaii International Conference on System Sciences (HICSS). Deadlines: **Jun 14** and **Jun 15**. [http://risklab.fi/cifer\\_hicss/](http://risklab.fi/cifer_hicss/)
- The "Liquidity and Financial Crises" Conf. of the Wharton Financial Institutions Center 2015 will take place during Oct 9-10 in Philly (PA). Deadline: **Jun 15**. <http://whartonliquidity.org/>
- The Macro Banking and Finance Workshop will take place during Sep 10-11 at the University of Pavia. Deadline: **Jun 21**. <https://sites.google.com/site/efremcastelnuovo/home/macro-banking-and-finance-workshop>
- The Bank of Mexico/CEMLA/Zurich/JFS conference on “Network models, stress testing, and other tools for financial stability monitoring and macroprudential policy design and implementation” will take place in Mexico City during Nov 11-12. Deadline: **Jun 30**. Special issue in the *J of Financial Stability*. <http://www.banxico.org.mx/publicaciones-y-discursos/publicaciones/seminarios/pagina-seminarios.html>

- The Financial Risk and Network Theory conference will take place on Sep 9 at Cambridge University. Deadline: **Jun 31**. [http://www.fna.fi/knowledge\\_center](http://www.fna.fi/knowledge_center)
- The 4th CIRANO workshop on networks in trade and finance will take place in Montreal during Oct 2-3. Deadline: **Jul 1**. <http://www.ssrn.com/update/ern/ernann/ann15091.html>
- The 15th FDIC Conf on “Deleveraging after the Crisis” will take place in Arlington (VA) during Sep 17-18. Deadline: **Jul 8**. [https://fdicsurveys.co1.qualtrics.com/SE/?SID=SV\\_3jEHUarQbL5YFi5](https://fdicsurveys.co1.qualtrics.com/SE/?SID=SV_3jEHUarQbL5YFi5)
- The 9th Conf. on Computational and Financial Econometrics (CFE 2015) will take place in London during Dec 12-14. Deadline: **Jul 15**. <http://www.cfenetwork.org/CFE2015>

## CONFERENCE PROGRAMS

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- The IMFS Conf. on Monetary and Financial Stability 2015 took place in Frankfurt on Mar 10-11. Program on <http://www.imfs-frankfurt.de/en/events/imfs-conferences/imfs-conference-on-monetary-and-financial-stability/2015.html>
- The 4th Workshop on Financial Market Imperfections and Macroeconomic Performance took place during Mar 4-5 in Frankfurt. Program on [http://safe-frankfurt.de/fileadmin/user\\_upload/editor\\_common/Events/2015\\_Programm\\_4th\\_Workshop\\_on\\_FM.pdf](http://safe-frankfurt.de/fileadmin/user_upload/editor_common/Events/2015_Programm_4th_Workshop_on_FM.pdf)
- The FRBNY/NYU Stern Conf. on Financial Intermediation took place on Apr 24 in New York City. Program on: [http://www.newyorkfed.org/research/conference/2015/financial\\_intermediation\\_program.pdf](http://www.newyorkfed.org/research/conference/2015/financial_intermediation_program.pdf)
- The Systemic Risk in the Insurance Industry Workshop took place at Temple University on May 7-8 in Philly (PA). Program and papers on [http://www.fox.temple.edu/cms\\_academics/dept/risk-insurance-healthcare-management/systemic-risk-workshop-2015/](http://www.fox.temple.edu/cms_academics/dept/risk-insurance-healthcare-management/systemic-risk-workshop-2015/)
- The Conf. “Intended and Unintended Consequences of Financial Reform” took place in DC on May 11. Program on <http://www.rhsmith.umd.edu/files/Documents/Centers/CFP/agenda2.pdf>
- The SAFE/Goethe University Conf. on Regulating Financial Markets took place in Frankfurt during May 18-19. Program on [http://safe-frankfurt.de/fileadmin/user\\_upload/editor\\_common/Events/2015\\_Regulation/Programme\\_28April.pdf](http://safe-frankfurt.de/fileadmin/user_upload/editor_common/Events/2015_Regulation/Programme_28April.pdf)
- The 24th Mitsui Finance Symposium “Financial intermediaries and markets” took place in Acme (MI) during May 29-31. Program on [http://www.bus.umich.edu/Conferences/2015-Mitsui-Finance-Symposium/Page.aspx?conf\\_menu\\_ord=785512](http://www.bus.umich.edu/Conferences/2015-Mitsui-Finance-Symposium/Page.aspx?conf_menu_ord=785512)
- The Conf. “Market liquidity and funding liquidity: Implications for economic risk” took place at NYU Stern on Apr 25 2014. Program on <http://www.stern.nyu.edu/experience-stern/about/departments-centers-initiatives/centers-of-research/volatility-institute/events/past-conferences/market-liquidity-funding-liquidity-implications-economic-risk-2014>
- The CAFIN workshop on Systemic Risk: Networks and Bubbles took place at UC Santa Cruz on May 29. Program and papers on <http://cafin.ucsc.edu/news-events/events/upcoming-events/workshop-systemic-risk.html>
- The NetSci 2015 Conf. will take place in Zaragoza during Jun 1-5. All satellite sessions on networks are listed here <http://netsci2015.net/index.php/satellites> and the program for Policy Applications of Complex Networks in Economics and Finance here <http://netsci2015.net/economics.info/>

- The 2nd Intl workshop on Financial Markets and Nonlinear Dynamics (FMND) will take place in Paris during Jun 4-5. Program on [http://fmnd.fr/uploads/cms/program\\_v7.pdf](http://fmnd.fr/uploads/cms/program_v7.pdf)
- The Conf. “New frontiers in systemic risk measures and extreme risk management” will take place at Brooklyn College in NYC on Jun 4. Program on [http://www.systemic-risk-hub.org/Autres/CUNY\\_International\\_Conference\\_Systemic\\_Risk\\_June2015\\_Program.pdf](http://www.systemic-risk-hub.org/Autres/CUNY_International_Conference_Systemic_Risk_June2015_Program.pdf)
- The 2nd Conf. on “Bank Performance, Financial Stability, and the Real Economy” will take place on Jun 22 in Naples. Program on <http://www.csef.it/2nd-Conference-on-Bank-1459?padre=16&annee=2015>

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## POLICY RESEARCH / SPEECHES

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- The international monetary and financial system: Its Achilles heel and what to do about it [https://www.bis.org/speeches/sp150409\\_presentation.pdf](https://www.bis.org/speeches/sp150409_presentation.pdf)
- Cross-border interbank contagion in the European banking sector [https://www.banque-france.fr/uploads/tx\\_bdfdocumentstravail/DT-545\\_01.pdf](https://www.banque-france.fr/uploads/tx_bdfdocumentstravail/DT-545_01.pdf)
- Corporate governance: What’s special about banks? [http://www.dnb.nl/en/binaries/Corp%20gov%20of%20banks--Luc%20Laeven\\_tcm47-281591.pdf](http://www.dnb.nl/en/binaries/Corp%20gov%20of%20banks--Luc%20Laeven_tcm47-281591.pdf)
- Governance, risk culture, and the credit crisis [http://www.dnb.nl/en/binaries/Stultz\\_tcm47-281597.pptx](http://www.dnb.nl/en/binaries/Stultz_tcm47-281597.pptx)
- Does finance benefit society? <http://faculty.chicagobooth.edu/luigi.zingales/papers/research/Finance.pdf>
- Nonbank financial firms and financial stability – A review of a Nov 2014 Atlanta Fed conference <https://www.frbatlanta.org/cenfig/publications/notesfromthevault/1411>

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## ACADEMIC RESEARCH

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- Interconnectedness of the banking sector as a vulnerability to crises [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2605810](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2605810)
- Interconnectedness in the interbank market [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2594469](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2594469)
- The price of complexity in financial networks [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2594028](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2594028)
- Liquidity risk, bank networks, and the value of joining the Federal Reserve System [http://financialresearch.gov/working-papers/files/OFRwp-2015-05\\_Liquidity-Risk-Bank-Networks-and-Value-of-Joining-Fed.pdf](http://financialresearch.gov/working-papers/files/OFRwp-2015-05_Liquidity-Risk-Bank-Networks-and-Value-of-Joining-Fed.pdf)
- How likely is contagion in financial networks? <http://www.sciencedirect.com/science/article/pii/S0378426614000600>
- A dynamic network model of the unsecured interbank market <http://www.bis.org/publ/work491.pdf>
- Banking crises and financial integration: Insights from network science <http://www.sciencedirect.com/science/article/pii/S1042443114001309>
- The international syndicated loan market network: An “unholy trinity”? <http://www.sciencedirect.com/science/article/pii/S1044028314000210>
- Fire-sale spillovers and systemic risk [http://www.newyorkfed.org/research/conference/2013/fire\\_sales/Paper\\_Duarte\\_Eisenbach.pdf](http://www.newyorkfed.org/research/conference/2013/fire_sales/Paper_Duarte_Eisenbach.pdf)

- Networks and search in labor markets: Wage and unemployment dynamics  
[https://editorialexpress.com/cgi-bin/conference/download.cgi?db\\_name=MWMSpring2015&paper\\_id=234](https://editorialexpress.com/cgi-bin/conference/download.cgi?db_name=MWMSpring2015&paper_id=234)
- Financial sector interconnectedness and monetary policy transmission  
<https://docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbWFpbnxiYXJhdHRpZXJpYWxl3NhbmRyb3xneDo0ZWVmMWUyNTVtMTIOTc4>
- Financial intermediation chain in a search market  
<http://faculty.som.yale.edu/hongjunyan/research/IntermediationChain.pdf>
- An interdependent multi-layer model: Resilience of international networks  
<https://iris.ucl.ac.uk/iris/publication/1021018/13>
- Calibrating limits for large interbank exposures from a system-wide perspective  
<http://www.sciencedirect.com/science/article/pii/S1572308915000509>
- The micro-structure of the US property-casualty reinsurance network: Performance effects  
[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2560324](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2560324)
- Trading networks and liquidity position  
<http://www.sciencedirect.com/science/article/pii/S0304405X14000919>
- Systemic risk and the interconnectedness between banks and insurers: An econometric analysis  
[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1997437](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=1997437)
- The organization of international trade: Export assortativity  
<https://www.dropbox.com/s/glyts7j26bj0zsp/JosephOsbat.pdf?dl=0>
- Using network analysis for macro-prudential purposes  
[https://www.dropbox.com/sh/gv8qvklv8o8tkgw/AADermNWOyWdqeQXI4\\_efk-ca/Kok1.pdf?dl=0](https://www.dropbox.com/sh/gv8qvklv8o8tkgw/AADermNWOyWdqeQXI4_efk-ca/Kok1.pdf?dl=0)
- How many dimensions do we trade in? Product space geometry and latent comparative advantage  
<http://elibrary.worldbank.org/doi/pdf/10.1596/1813-9450-6478>
- Too leveraged to fail? Towards a new paradigm for stress testing  
<https://www.dropbox.com/s/532ao03ovn9qukq/BattistonCaldarelliD'ErricoGurciullo2015.pdf?dl=0>
- It's a small world: Using social network analysis to investigate systemic risk in the Australian pension sector  
<https://www.dropbox.com/sh/gv8qvklv8o8tkgw/AAAE9VwOFpC-tBPvt6DfZlkg/Nicholls.pdf?dl=0>
- Developing network models of entrepreneurial ecosystems in developing economies  
[https://www.dropbox.com/sh/gv8qvklv8o8tkgw/AACFTBD\\_JxwkJtRr4hR1OWJAa/Evans.pdf?dl=0](https://www.dropbox.com/sh/gv8qvklv8o8tkgw/AACFTBD_JxwkJtRr4hR1OWJAa/Evans.pdf?dl=0)
- The community structure of the European network of interlocking directorates 2005-2010  
<http://journals.plos.org/plosone/article?id=10.1371/journal.pone.0068581>
- Stock market dynamics, leveraged network-based financial accelerator, and monetary policy  
[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2589855](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2589855)
- Exploiting social networks behavioral information to model exchange rates  
<https://docs.google.com/viewer?a=v&pid=sites&srcid=ZGVmYXVsdGRvbWFpbnxnZW90emFnfGd4OjZiMjRjM2VjNjliODBINzY>
- Networks in the lab - A literature review of experimental research on networks in economics  
[http://eml.berkeley.edu/~kariv/CEGK\\_I.pdf](http://eml.berkeley.edu/~kariv/CEGK_I.pdf)
- Interconnectedness in the CDS market  
<https://www.sec.gov/dera/staff-papers/white-papers/credit-default-swaps-interconnectivity-04-2014.pdf>
- Cascading defaults and systemic risk of a banking network  
[http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=2278168](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2278168)
- Contagion! The spread of systemic risk in financial networks  
[http://ms.mcmaster.ca/tom/Hurd\\_SystemicBook\\_Feb\\_2015.pdf](http://ms.mcmaster.ca/tom/Hurd_SystemicBook_Feb_2015.pdf)

## SOFTWARE

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- [CrisisMetrics \(http://crisismetrics.com/\)](http://crisismetrics.com/) allows visual explorations of global networks of banking sector interlinkages based on quarterly BIS International Banking Statistics. The data cover cross-border banking system exposures from 26 to more than 200 economies ranging back to the 1990s.
  - The app is preliminary and feedback is welcome on [peter@risklab.fi](mailto:peter@risklab.fi).
  - Future features will include time-series plots of centrality measures, early-warning exercises, and stress tests/scenario analyses.

## MISCELLANEOUS

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- The first issue of the Journal of Network Theory in Finance has been published: <http://www.risk.net/static/about-the-journal-of-network-theory-in-finance>
  - The SAFE (“Sustainable Architecture for Finance in Europe”) House of Finance center has an excellent website: <http://safe-frankfurt.de/home.html>
  - Live-blogging on Networks and the Macro-economy <http://marginalrevolution.com/marginalrevolution/2015/04/networks-and-the-macroeconomy.html>
- 

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Previous issues of the newsletter can be accessed online from the International Banking Library:  
<http://www.bankinglibrary.com/e/fdz/IntBankLib/interconnectedness.asp>