



## Conference

### “Financial Globalization: Shifting Balances”

**Banco de España, Madrid, July 1st and 2nd, 2010**

Conference Venue: Banco de España. Alcalá, 48. Sala Gemelo I

## Programme

### Thursday, July 1<sup>st</sup>

**12:45-13:30 Registration**

**13:00-14:00 Lunch**

**14:00-14:15 Opening Remarks: Miguel Fernández Ordoñez, (Governor, Banco de España)**

**14:15-15:45 Session 1: Financial Intermediation, Financial Globalization and the Crisis**

**Chair: Santiago Fernández de Lis (AFI)**

-Nicola Gennaioli (CREI), Alberto Martin (CREI and UPF) and Stefano Rossi (Stockholm School of Economics): “*Sovereign Default, Domestic Banks and Financial Institutions*”

Discussant: Hélène Rey (LBS)

-Enrique Mendoza (University of Maryland and NBER) and Vincenzo Quadrini (University of Southern California): “*Financial Globalization, Financial Crises and Contagion*”

Discussant: Fernando Broner (CREI and UPF)

**15:45-16:15 Coffee Break**

**16:15-17:45 Session 2: Decoupling, Recoupling and Synchronization**

**Chair: Pablo García (Central Bank of Chile)**

-Sebnem Kalemli-Ozcan (University of Houston and NBER), José Luis Peydró (ECB) and Elias Papaioannos (Dartmouth College and CEPR): *“Financial Regulation, Financial Globalization and Synchronization of Economic activity”*

Discussant: Gabriel Pérez Quirós (Banco de España)

-Eduardo Levy-Yeyati (Universidad Torcuato di Tella): *“Emerging economies in the 2000s: Globalization, real decoupling and financial recoupling”*

Discussant: Juan Ruiz (BBVA)

**18:00-19:00 Keynote Speech: Olivier Blanchard (Economic Counsellor and Director Research Department, IMF): “Global Imbalances”**

**Chair: Javier Aríztegui (Deputy Governor, Banco de España)**

**20:30-22:30 Dinner**

**Friday, July 2<sup>nd</sup>**

**08:30-10:00 Session 3: Gross Capital Flows and Crises**

**Chair: Enrique Alberola (Banco de España)**

-Sergio Schmukler (WB), Fernando Broner (CREI and UFP), Tatiana Didier (World Bank) and Aitor Erce (BdE): *“Financial Crises and International Portfolio Dynamics”*

Discussant: Philip Lane (Trinity College Dublin)

-Gian Maria Milesi-Ferretti (IMF), Francesco Strobbe (ECB) and Natalia Tamirisa (IMF): *“Bilateral Cross-Border Holdings and Global Imbalances: A View on the Eve of the Global Financial Crisis”*

Discussant: Francis Warnock (University of Virginia)

**10:00-11:30 Session 4: Foreign Exchange Reserves**

**Chair: Olli-Pekka Lehmussaari (Bank of Finland)**

-Philippe Bacchetta (University of Lausanne) and Kenza Benhima (University of Lausanne): *“The Demand for Liquid Assets and International Capital Flows”*

Discussant: Marcel Fratzscher (ECB)

-Hui Tong (IMF) and Shang-Jin Wei (Columbia University, NBER and CEPR): *“Country Insurance and Corporate Risk-taking”*

Discussant: Kenza Benhima (University of Lausanne)

**11:30-12:00 Coffee Break**

**12:00-13:30 Session 5: Currency Denomination of Assets**

**Chair: Tito Cordella (The World Bank)**

-Francis E. Warnock (University of Virginia), Veronica Cacdac Warnock (University of Virginia) and John D. Burger (Loyola University of Maryland): *"Investing in Local Currency Bond Markets"*

Discussant: Romain Rancière (PSE)

-Pierre-Olivier Gourinchas (Berkeley), Nicolas Govillot (Polytechnique) and H  l  ne Rey (LBS): *"Exorbitant Privilege and Exorbitant Duty"*

Discussant: C  sar Calder  n (The World Bank)

**13:30-14:30 Lunch**

**14:30-15:45 Panel: Shifting Balances in Latin America?**

**Chair: Pilar L'Hotellerie-Fallois (Banco de Espa  a)**

-Augusto de la Torre (The World Bank)

-Carmen Reinhart (University of Maryland)

-Rodrigo Vald  s (IMF)

**15:45 Closing Remarks**

**NB**

*Sessions: 25' Papers, 10' Comments, 20' General Discussion*

*Panel: 5' Presentation 15' per panelist, 25' General Discussion*

***Please, note that attendance is only by invitation***