The recent financial crisis has given a serious blow to the doctrine of market efficiency. At the same time the need has arisen to better understand liquidity which evaporated in the midst of the crisis. How are liquidity and market efficiency related? It has been argued that liquidity in stock and debt markets, especially in short-term money markets, may be maximized under very different conditions regarding the information content of market prices. What are the implications for systemic risks and financial stability? This one-day conference aims to bring together experts from all sides to better understand the key concepts of market liquidity and efficiency in different markets that research has helped to identify, the incentives facing practitioners in the market place, and the role regulation may have in correcting any market failures.

Preliminary Programme

Friday, 3 July 2015

08.30 Registration

08.45 Opening and welcome

N.N., Bank of Finland
Urs Birchler, SUERF President and Professor of Banking, University of Zürich

09.00 Keynote I

Macropredential policy, financial stability, and liquidity
Hyun Song Shin, Economic Adviser and Head of Research, BIS

10.00 Coffee break

10.30 Policy Session

How the (liquidity) crisis changed monetary policy operations?
Tuomas Välimäki, Head of Monetary Policy and Research Department, Bank of Finland

Liquidity and systemic crises
Rebecca McCaughrin, Associate Director, Office of Financial Research, US Treasury Department

12.00 Lunch

13.30 Keynote II

Banks, taxes, and non-bank competitions
George Pennacchi, University of Illinois at Urbana-Champaign

14.30 Research Session

Volcker Rule and liquidity
Jussi Keppo, National University of Singapore

15.15 Coffee

15.45 Keynote Session III

What is money, and who says so? – A pragmatist’s view
Peter Fisher, Senior Director, BlackRock Investment Institute

16.45 Closing