Issues related to central counterparty clearing

A joint conference of the European Central Bank and the Federal Reserve Bank of Chicago

Monday, 3 April & Tuesday, 4 April 2006
Frankfurt am Main

programme

EUROPEAN CENTRAL BANK

FEDERAL RESERVE BANK OF CHICAGO

Monday, 3 April 2006

11.00 – 11.15 **Opening Remarks**
Gertrude Tumpel-Gugerell, Member of the Executive Board of the European Central Bank

11.15 – 13.00 **Panel I**
Setting the Context
Chairperson: Patrick M. Parkinson, Board of Governors of the Federal Reserve System
Diana Chan, Citigroup
Yvon Lucas, Banque de France
Tomoyuki Shimoda, Bank of Japan
John Trundle, Euroclear SA/NV

13.00 – 14.30 **Lunch and Keynote Speech**
Randall S. Kroszner, Governor, Board of Governors of the Federal Reserve System

14.30 – 15.45 **Invited Session I**
CCP Foundational Issues
Chairperson: Robert Steigerwald (Federal Reserve Bank of Chicago)

Derivatives clearing, central counterparties and novation: the economic implications
Robert Bliss (Wake Forest University) and Chryssa Papathanassiou (European Central Bank)

Central counterparties
Thorsten Koeppl (Queen's University) and Cyril Monnet (European Central Bank)

Discussant: Charles Kahn (University of Illinois)

15.45 – 16.15 **Coffee Break**

16.15 – 18.00 **Invited Session II**
Collateral and Margins
Chairperson: Douglas Evanoff (Federal Reserve Bank of Chicago)

Intraday margining of central counterparties: EU practice and a theoretical evaluation of benefits and costs
Froukelien Wendt (De Nederlandsche Bank)

Valuation of collateral in securities settlement systems for extreme market events
Alejandro García (Bank of Canada) and Ramo Gençay (Simon Fraser University)

Extreme spectral risk measures: an application to futures clearinghouse margin requirements
John Cotter (University College Dublin) and Kevin Dowd (Nottingham University)

Discussant: Jean-Charles Rochet (University of Toulouse)

20.00 – 22.00 **Conference Dinner and Dinner Speech** (Frankfurter Hof)
Tommaso Padoa-Schioppa, Former Member of the Executive Board of the European Central Bank

Tuesday, 4 April 2006

09.00 – 10.45 **Panel II**
Industry Structure and Developments
Chairperson: Alberto Giovannini, Unifortune Asset Management SGR
Peter Axilrod, The Depository Trust and Clearing Corporation
Daniel Gisler, Eurex
David Hardy, LCH.Clearnet Limited
Kimberly S. Taylor, Chicago Mercantile Exchange

10.45 – 11.15 **Coffee Break**

11.15 – 12.30 **Invited Session III**
CCP Risk Management
Chairperson: Jens Tapking (European Central Bank)

Comparing the pre-settlement risk implications of alternative clearing arrangements
John P. Jackson and Mark J. Manning (Bank of England)

Default risk mitigation in derivatives markets and its effectiveness
Rajna Gibson and Carsten Murawski (Swiss Banking Institute)

Discussant: James T. Moser (Louisiana Tech University)

12.30 – 14.00 **Lunch and Keynote Speech**
Michael Moskow, President of the Federal Reserve Bank of Chicago

14.00 – 15.30 **Panel III**
CCPs and the Future Development of Financial Market Clearing and Settlement
Chairperson: Daniela Russo, European Central Bank
Jill Considine, The Depository Trust and Clearing Corporation
Ruben Lee, Oxford Finance Group
Mario Nava, European Commission

15.30 – 15.45 **Concluding Remarks**
Jean-Claude Trichet, President of the European Central Bank

Conference location	European Central Bank (Eurotower) Conference room CIV, 2nd floor Kaiserstrasse 29 D-60311 Frankfurt am Main
Social event	Conference dinner Monday, 3 April 2006 at 20.00 Frankfurter Hof Am Kaiserplatz 1 D-60311 Frankfurt am Main
Transfer to conference dinner	Bus shuttle service from the ArabellaSheraton Grand Hotel (leaving at 19.40) to Frankfurter Hof and back
Conference language	English
Hotel accommodation	Hotel accommodation is available at ArabellaSheraton Grand Hotel Konrad-Adenauer-Strasse 5-7 D-60313 Frankfurt am Main Tel: +49 69 2981 750
Airport transfer	Participants are asked to organise their own transfers from and to the airport.