



BANK OF CANADA
BANQUE DU CANADA



FEDERAL RESERVE BANK
OF SAN FRANCISCO

7th Conference on Fixed Income Markets

Advances in Fixed Income Macro-Finance Research

October 17-18, 2019 – Federal Reserve Bank of San Francisco

Thursday, October 17

8:00 – 8:45 a.m. Registration and Continental Breakfast

8:45 – 9:00 a.m. **Welcome Remarks**
Sharon Kozicki, *Bank of Canada*

9:00 – 10:30 a.m. **Session 1: Safe Assets**

The Risks of Safe Assets

Yang Liu, *University of Hong Kong*

Lukas Schmid, *Duke University, Fuqua School of Business*,

Amir Yaron, *Bank of Israel and Wharton School of Business*

Discussant: Sebastian Infante, *Federal Reserve Board of Governors*

Safe Asset Carry Trade

Benedikt Ballensiefen, *University of St. Gallen and World Bank*

Angelo Ranaldo, *University of St. Gallen and Swiss Finance Institute*

Discussant: Robert Ready, *University of Oregon, Lundquist College of Business*

10:30 – 11:00 a.m. Refreshment Break

11:00 – 12:30 p.m. **Session 2: Supply and Demand for Government Debt**

Fiscal Limits and Sovereign Credit Spreads

Kevin Pallara, *University of Lausanne*

Jean-Paul Renne, *University of Lausanne*

Discussant: Francis Longstaff, *UCLA Anderson School of Management*

Duration Effects in Macro-Finance Models of the Term Structure

Thomas King, *Federal Reserve Bank of Chicago*

Discussant: Michael Gallmeyer, *University of Virginia, McIntire School of Commerce*

12:30 – 1:45 p.m. Lunch, Market Street Dining Room, Fourth Floor



BANK OF CANADA
BANQUE DU CANADA



FEDERAL RESERVE BANK
OF SAN FRANCISCO

1:45 – 3:15 p.m. **Session 3: Financial Intermediation**

The Short Rate Disconnect in a Monetary Economy

Moritz Lenel, *Princeton University*

Monika Piazzesi, *Stanford University*

Martin Schneider, *Stanford University*

Discussant: Zhiguo He, *University of Chicago, Booth School of Business*

Financial Intermediaries and the Yield Curve

Andrés Schneider, *Federal Reserve Board of Governors*

Discussant: James Hamilton, *UCSD*

3:15 – 3:45 p.m. Refreshment Break

3:45 – 5:15 p.m. **Session 4: Changes in Yield Curve Dynamics**

The Excess Sensitivity of Long-Term Rates: A Tale of Two Frequencies

Samuel Hanson, *Harvard Business School*

David Lucca, *Federal Reserve Bank of New York*

Jonathan Wright, *Johns Hopkins University*

Discussant: Kenneth Singleton, *Stanford Graduate School of Business*

Bond Return Predictability at the Zero Lower Bound: A New Shadow Rate Model

Martin Andreasen, *Aarhus University*

Kasper Jorgensen, *Federal Reserve Board of Governors*

Andrew Meldrum, *Federal Reserve Board of Governors*

Discussant: Gregory Duffee, *Johns Hopkins University*

5:15 – 6:00 p.m. Reception, Salons A&B, Fourth Floor

6:00 – 8:00 p.m. Dinner, Market Street Dining Room, Fourth Floor

Keynote Address

Introduction: Sylvain Leduc, *Federal Reserve Bank of San Francisco*

Speaker: Darrell Duffie, *Stanford Graduate School of Business*

Friday, October 18

8:00 – 8:45 a.m. Continental Breakfast



BANK OF CANADA
BANQUE DU CANADA



FEDERAL RESERVE BANK
OF SAN FRANCISCO

8:45 – 10:15 a.m. **Session 5: Repo Markets and Quantitative Easing**

The Scarcity Effect of QE on Repo Rates: Evidence from the Euro Area

William Arrata, *Banque de France*

Benoît Nguyen, *Banque de France*

Imene Rahmouni-Rousseau, *Banque de France*

Miklos Vari, *International Monetary Fund*

Discussant: Stefania d’Amico, *Federal Reserve Bank of Chicago*

Repo Specialness in the Transmission of Quantitative Easing

Hee Su Roh, *Stanford Graduate School of Business*

Discussant: Pierre-Olivier Weill, *UCLA*

10:15 – 10:45 a.m. Refreshment Break

10:45 – 12:15 p.m. **Session 6: Exchange Rates and International Bond Markets**

International Yield Curves and Currency Puzzles

Mikhail Chernov, *UCLA Anderson School of Management*

Drew Creal, *University of Notre Dame*

Discussant: Hanno Lustig, *Stanford Graduate School of Business*

Are Intermediary Constraints Priced?

Wenxin Du, *University of Chicago*

Benjamin Hébert, *Stanford University and NBER*

Amy Wang, *Stanford University*

Discussant: Nina Boyarchenko, *Federal Reserve Bank of New York*

12:15 – 12:30 p.m. **Closing Remarks**

Glenn Rudebusch, *Federal Reserve Bank of San Francisco*

12:30 – 1:30 p.m. Lunch

1:30 p.m. Adjourn

Program Committee:

Antonio Diez de los Rios, *Bank of Canada*

Jean-Sébastien Fontaine, *Bank of Canada*

Michael Bauer, *Federal Reserve Bank of San Francisco*

Jens Christensen, *Federal Reserve Bank of San Francisco*