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Econometric Institute

ERIM Erasmus Research
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Eighth Erasmus Liquidity Conference

**Rotterdam School of Management
Erasmus University**

6 – 7 July, 2017

Venue:

**Rotterdam School of Management, Erasmus University, the Netherlands
Theil Building, Room C1-02 (first floor)
Burg. Oudlaan 50, 3062 PA Rotterdam
The Netherlands**

For the Eighth time, the Econometric Institute and the Rotterdam School of Management (RSM) at Erasmus University jointly organize a two-day conference with the principal objective of presenting and discussing recent advances in academic research on market liquidity.

Keynote speakers:

Albert J. Menkveld (VU Amsterdam)
Joel Hasbrouck (NYU Stern)

Organizers:

Dion Bongaerts (Chair), Elvira Sojli, Wing-Wah Tham,
Sarah Draus, Michel van der Wel

Recent versions of the papers (when publicly available) can be downloaded from the conference website:

<http://www.rsm.nl/research/finance/events/liquidity-conference/>

Local arrangements:

Myra Lissenberg, Flora van Oosterom
Email: liquidity@rsm.nl

We gratefully acknowledge financial support from the Erasmus Research Institute of Management (ERIM), the Tinbergen Institute, and the Nasdaq OMX Educational Foundation.



Conference Programme

Thursday July 6 – Room C1-02

8:45 – 9:10 Registration

9:10 – 9:15 Welcome address by **Dion Bongaerts**
(Rotterdam School of Management, Erasmus University)

9:15 – 10:45 **Session I**
Session chair: Marno Verbeek
(Rotterdam School of Management, Erasmus University)

Trading fees and Intermarket Competition

Marios Panayides, Barbara Rindi and Ingrid Werner

Presenter: **Marios Panayides** (University of Pittsburgh)
Discussant: **Satchit Sagade** (Goethe University)

Trades, Quotes and the Cost of Capital

Ioanid Rosu, Elvira Sojli and Wing-Wah Tham

Presenter: **Ioanid Rosu** (HEC Paris)
Discussant: **Dion Bongaerts** (Rotterdam School of Management, Erasmus University)

10:45 – 11:15 Coffee break

11:15 – 12:45 **Session II**
Session chair: Mathijs Cosemans
(Rotterdam School of Management, Erasmus University)

Order Flow Segmentation, Liquidity and Price Discovery: The Role of Latency Delays

David Cimon and Michael Brolley

Presenter: **David Cimon** (Bank of Canada)
Discussant: **Sarah Draus** (Rotterdam School of Management, Erasmus University)

[Toward a Fully Continuous Exchange](#)

Albert S. Kyle and Jeongmin Lee

Presenter: **Jeongmin Lee** (Washington University in St. Louis)

Discussant: **Frank de Jong** (Tilburg University)

12:45- 14:00 **Lunch for all participants**
(Faculty Club, 17th floor, Tinbergen Building)

14:00 - 15:45 **Session III**
Session chair: Dion Bongaerts
(Rotterdam School of Management, Erasmus University)

[Market Accessibility, Corporate Bond EFTs, and Liquidity](#)

Jayoung Nam

Presenter: **Jayoung Nam** (Indiana University)

Discussant: **Vincent van Kervel** (Pontificia Universidad Católica de Chile)

KEYNOTE: Crowded Positions, Systemic Risk, and Central Clearing

Albert J. Menkveld (VU Amsterdam)

15:45 – 16:15 **Coffee break**

16:15 - 17:45 **Session IV**
Session chair: Fabrizio Spargoli
(Rotterdam School of Management, Erasmus University)

[Chasing Private Information](#)

Marcin Kacperczyk and Emiliano S. Pagnotta

Presenter: **Emiliano S. Pagnotta** (Imperial College)

Discussant: **Adrian Buss** (INSEAD)

[Insecure Debt and Liquidity Runs](#)

Rafael Matta and Enrico Perotti

Presenter: **Rafael Matta** (University of Amsterdam)

Discussant: **John C.F. Kuong** (INSEAD)

17:45 - 22:30 **Dinner for speakers and discussants** (Restaurant Allure)

22:30 Water taxi to Novotel

Friday, July 7 - Room C1-02

9:00 – 10:45

Session V

Session chair: Michel van der Wel

(Erasmus School of Economics, Erasmus University)

Does High-Frequency Trading add Noise to Prices?

Katya Malinova and Andreas Park

Presenter: **Katya Malinova** (University of Toronto)

Discussant: **Avi Wohl** (Tel-Aviv University)

KEYNOTE: Price Discovery in High Resolution

Joel Hasbrouck (NYU Stern)

10:45 – 11:00

Coffee break

11:00 - 12:30

Session VI

Session chair: Sarah Draus

(Rotterdam School of Management, Erasmus University)

Endogenous Specialization and Dealer Networks

Artem Neklyudovy and Batchimeg Sambalaibat

Presenter: **Artem Neklyudovy** (HEC Lausanne)

Discussant: **Ioanid Rosu** (HEC Paris)

Smart Settlement

Marius A. Zoican and Mariana Khapko

Presenter: **Marius A. Zoican** (Universite Paris Dauphine)

Discussant: **Andrei Kirilenko** (Imperial College)

12:30 – 12:35

Closing by **Dion Bongaerts**

(Rotterdam School of Management, Erasmus University)

12:35 - 13:45

Lunch for all participants

(Faculty Club, 17th floor, Tinbergen Building)

Keynote presentations: 45 minutes

Presentations: 25 minutes

Discussions: 10 minutes

About the keynote speakers



Albert Menkveld is Professor of Finance at VU University Amsterdam and Fellow at the Tinbergen Institute. In 2002, he received a Tinbergen PhD from Erasmus University Rotterdam. He was on visiting positions for multiple years at various U.S. schools (NYU, Wharton, and Stanford).

Albert's research agenda is focused on securities trading, liquidity, asset pricing, and financial econometrics. He has published in various journals, for example, the *Journal of Finance*, the *Journal of Financial Economics*, and the *Review of Financial Studies*.

In 2010 he received a five-year VIDI grant from the Netherlands Organization for Scientific Research (NWO), in 2007 the Pierson medal ('Dutch Bates Clark') from the Royal Dutch Economic Association, in 2003 a Lamfalussy scholarship from the European Central Bank, and in 2001 the Josseph de la Vega Prize from the Federation of European Exchanges.

Albert is currently an Associate Editor at the *Review of Asset Pricing Studies* and a Research Fellow at the Centre for Economic Policy Research (CEPR). He was a member of the European Finance Association (EFA) Executive Committee in 2014-2016, Group of Economic Advisors of the European Securities and Market Authority (ESMA) in 2011-2014, and a member of the academic council of the *Autorité des Marchés Financiers* ("French SEC") since 2004-2016.



Joel Hasbrouck is the Kenneth G. Langone Professor of Business Administration and Professor of Finance at the Stern School of Business, NYU. His research focuses on the analysis, design and regulation of securities trading mechanisms (market microstructure). He is the author of *Empirical Market Microstructure* (Oxford, 2006) and numerous articles. He is presently an Advisory Editor of the [Journal of Financial Markets](#), and an Associate Editor of the [Journal of Financial Econometrics](#), the [Journal of Financial Intermediation](#), and a former editor of the [Review of Financial Studies](#). He holds M.A. and Ph.D. degrees from the University of Pennsylvania and a B.S. in Chemistry from Haverford College.

Confirmed Participants

Aleksandar	Andonov	Erasmus School of Economics
Dion	Bongaerts	Rotterdam School of Management, Erasmus University
Adrian	Buss	INSEAD
Nikoletta	Chelakidi	Eurex Frankfurt
David	Cimon	Bank of Canada
Mathijs	Cosemans	Rotterdam School of Management, Erasmus University
Frank	de Jong	Tilburg University
Sarah	Draus	Rotterdam School of Management, Erasmus University
Gelly	Fu	Rotterdam School of Management, Erasmus University
Xun (Michael)	Gong	Econometric Institute, Erasmus School of Economics
Joel	Hasbrouck	NYU Stern
Frank	Hatheway	NASDAQ
Kristy	Jansen	Tilburg University
Albina	Khairullina	EPFL/Nestle
Andrei	Kirilenko	Imperial College
Lingtian	Kong	Rotterdam School of Management, Erasmus University
Bart	Kuijpers	APG, Asset Management
Santanu	Kundu	Rotterdam School of Management, Erasmus University
John	Kuong	INSEAD
Jeongmin	Lee	Washington University in St. Louis
Jingyang	Liu	Utrecht University School of Economics
Katya	Malinova	University of Toronto
Rafael	Matta	University of Amsterdam
Albert	Menkveld	Vrije Universiteit Amsterdam
Jayoung	Nam	Indiana University
Artem	Neklyudovy	HEC Lausanne
Emiliano S.	Pagnotta	Imperial College
Marios	Panayides	University of Pittsburgh
Enrico	Perotti	University of Amsterdam
Andreas	Rapp	Tilburg University
Fabian	Rijlaarsdam	EUREX
Ioanid	Rosu	HEC Paris
Satchit	Sagade	Goethe University
Fabrizio	Spargoli	Rotterdam School of Management, Erasmus University
Michel	van der Wel	Erasmus School of Economics
Vincent	van Kervel	Pontificia Universidad Catolica de Chile
Marno	Verbeek	Rotterdam School of Management, Erasmus University
Avi	Wohl	Tel-Aviv University
Marius A.	Zoican	University Paris Dauphine