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
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
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

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