

Call for Papers

2020 Federal Reserve Stress Testing Research Conference

Thursday, October 8, 2020

Location TBD – Conference will be held online if in-person meeting is not possible

Submission Deadline: Friday, June 12, 2020

The Federal Reserve invites researchers to submit academic research papers to be considered for presentation at a conference on the topic of stress testing. The conference will provide a forum for researchers in academic and policy institutions to discuss important topics, methodologies, and challenges related to stress testing for financial institutions and the financial system.

Update: This Call for Papers remains active despite the current COVID-19 pandemic. The conference will be held online if an in-person meeting is not possible. We particularly welcome papers that shed light on the resilience of the financial system in the current environment. But more generally, we look forward to submissions on all aspects of stress testing for financial institutions and the financial system, inclusive of both bank and non-bank financial intermediation.

Background

Since the financial crisis, stress testing has become a key tool for evaluating the resilience of financial institutions and the financial system. For example, stress tests of U.S. large banking organizations are now conducted annually under the Dodd-Frank Act and as part of the Comprehensive Capital Analysis and Review (CCAR). Similar stress testing efforts have also been adopted internationally in recent years. Stress testing has become increasingly important in assessing the resilience of the financial system as a whole, and the strength of firm and household balance sheets. It has also become a more prominent risk management tool for financial institutions. Accordingly, stress testing as a discipline has become an increasingly important area for economic research and policy.

For more information, please visit the website below for prior editions of the research conference: <https://www.bostonfed.org/news-and-events/events/federal-reserve-stress-testing-research-conference/2018.aspx>

Purpose

To support stress testing related research, and to provide an opportunity for researchers to present and consider the latest thinking in the field, the Federal Reserve System will hold its sixth annual Stress Testing Research Conference on **Thursday, October 8, 2020**.

This conference will consist of presentations by leading researchers in academic and policy institutions. Papers will be discussed by participants drawn from both inside and outside the Federal Reserve System.

The conference will also feature a keynote address by **Tobias Adrian**, Financial Counsellor of the International Monetary Fund (IMF) and Director of the IMF's Monetary and Capital Markets Department.

Upon the author's approval, the papers presented at the conference may be made available to the public on the Federal Reserve's website.

Paper Submission Topics

The conference will consider high quality research papers broadly related to stress testing. We particularly welcome submissions that help shed light on the resilience of the financial system during the current COVID-19 pandemic. Other topics of interest include, but are not limited to:

- The appropriate role for stress testing in macro prudential and micro prudential supervision
- How stress tests affect economic behavior, financial stability, and systemic risk
- Stress test model design and performance evaluation
- Optimal disclosure policies for supervisory stress tests
- The design of macroeconomic scenarios for stress testing
- Multiple equilibria and feedback effects in stress testing, such as fire sales and creditor runs
- Stress testing for natural disasters and climate risk
- Stress testing for nonbank financial institutions
- Stress testing for illiquid assets such as private equity and real estate
- The role of model uncertainty in stress testing
- The role of stress testing in financial institutions' risk management

Paper Submissions and Conference Invitations

We invite authors to submit papers or extended abstracts to StressTestingConference@frb.gov by **Friday June 12, 2020**. Complete papers are strongly encouraged. Extended abstracts should include a description of the motivation for the research question, the methodology and data used to study the question, and a description of key results.

Submissions will be reviewed by the organizing committee, and authors whose papers have been accepted to the conference will be notified by **Friday July 17, 2020**. If an in-person conference is held, limited travel funding will be available for presenting authors and discussants.

Please note that attendance at the conference is by invitation only, and capacity is extremely limited. Please direct all questions and correspondence to StressTestingConference@frb.gov.

Organizing Committee:

Jose Berrospide, Federal Reserve Board of Governors

Jose Fillat, Federal Reserve Bank of Boston

Ralf Meisenzahl, Federal Reserve Bank of Chicago

Friederike Niepmann, Federal Reserve Board of Governors

Doriana Ruffino, Federal Reserve Board of Governors

James Vickery, Federal Reserve Bank of Philadelphia