

## **Call for Papers**

### **2021 Federal Reserve Stress Testing Research Conference**

The conference will be held online on October 7 and 8, 2021

**Paper Submission Deadline: Tuesday, June 15, 2021**

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, methods, and challenges related to stress testing for financial institutions and the financial system.

This year, we particularly welcome papers that highlight the distributional consequences of stress testing, either for different types of firms or population groups. 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. While scenario analysis is of course a distinct exercise from stress testing, we would also welcome papers on climate scenario analysis.

#### **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 the balance sheets of firms and households. 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/2020.aspx>

#### **Conference Format**

This online conference will consist of presentations of papers by leading researchers at academic and policy institutions. Some of the paper presentations will be followed by a discussion from a subject-matter expert.

With 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. Topics of interest include, but are not limited to:

- The distributional effects of stress tests
- The resilience of banks to economic conditions related to the COVID-19 pandemic
- Climate-change scenario analyses
- Stress-testing for cybersecurity and operational risks
- The appropriate role for stress testing in macroprudential and microprudential supervision
- The effects of stress tests on 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 nonbank financial institutions
- The role of model uncertainty in stress testing
- The role of stress testing in financial institutions' risk management

## Paper Submissions

We invite authors to submit papers or extended abstracts to [StressTestingConference@frb.gov](mailto:StressTestingConference@frb.gov) by **Tuesday June 15, 2021**. Complete papers are strongly encouraged. Extended abstracts should include a description of the motivation for the research question, the method and data used to study the question, and 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 16, 2021**. Please direct all questions and correspondence to [StressTestingConference@frb.gov](mailto:StressTestingConference@frb.gov).

## Organizing Committee

Eliana Balla, Federal Reserve Bank of Richmond

Luca Guerrieri, Federal Reserve Board

David Hou, Federal Reserve Board

Anya Kleyменова, Federal Reserve Board

Jose A. Lopez, Federal Reserve Bank of San Francisco

Cindy Vojtech, Federal Reserve Board