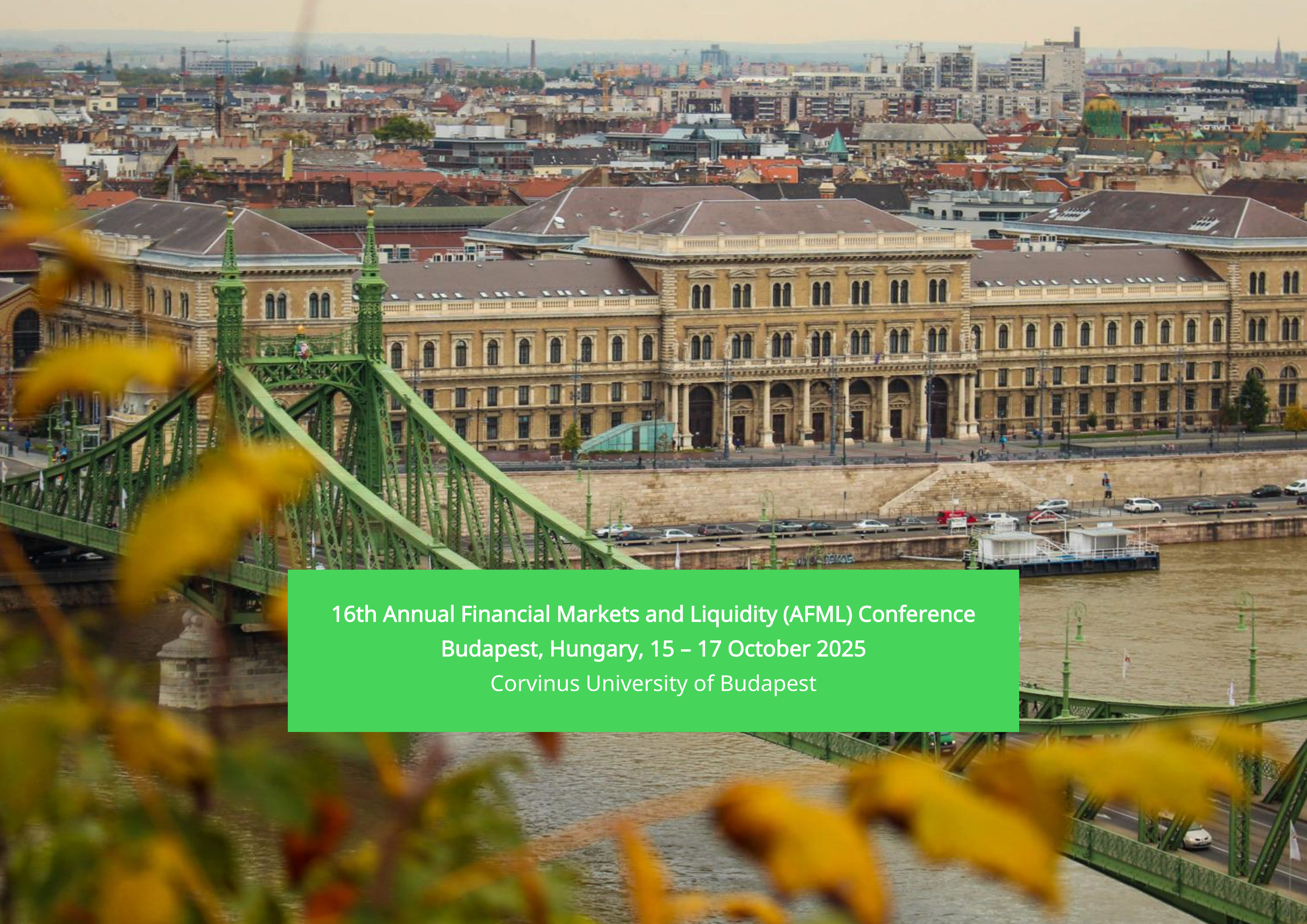

16th Annual Financial Markets and Liquidity (AFML) Conference

Budapest, Hungary, 15 – 17 October 2025

Corvinus University of Budapest

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Budapest, Hungary, 15 – 17 October 2025
Corvinus University of Budapest, Fővám square 8., Budapest 1093

Program
Times shown are Central European Time (CET)

Wednesday	**15 October 2025**

17:00 – 18:00 *Registration and welcome drinks (Main Building, Ground Floor Courtyard)*

18:00 – 20:00 *Welcome dinner and networking*

19:00 – 19:45 *Editor Plenary Session*

19:45 – 20:45 *Special-topic fireside chat sessions*

- *AI and Machine Learning (Moderator: Prof. András Fülöp, ESSEC),*
- *Mathematical finance and Game theory (Moderator: Prof. Péter Csóka, CUB),*
- *Household finance (Moderator: Assoc. Prof. Zsuzsa R. Huszár, CUB),*
- *Sustainable Finance (Moderator: Assoc. Prof. Helena Naffa, CUB).*

20:45 – 21:00 *Closing remarks*

Thursday	**16 October 2025**

08:30 – 09:15 *Registration and welcome coffee (Main Building, Ground Floor Courtyard)*

09:15 – 09:30 *Opening: Welcome address by the Rector (Lecture Hall III), and remarks by the Organizing Committee*

	Plenary Session - Keynote I. *Chair: Zsuzsa R. Huszár (Lecture Hall III)*
09:30 – 10:30	*Jeffrey Pontiff: A Century of Market Reversals: Resurrecting Volatility*

10:30 – 11:00 *Coffee break and late registration (Main Building, Ground Floor Courtyard)*

11:00 – 13:00	**Parallel sessions (4 papers, 30 minutes each)**			**Flash Talks (7 papers, 15 minutes each)**
Session Title, Chair, Location	**Special Session: Mathematical Finance and Game Theory** Chair: Péter Csóka *Location: Lecture Hall III*	**Session 1** **Asset Pricing I: Machine Learning and LLM** Chair: Christophe Schalck *Location: Faculty Club, Salon*	**Session 2** **Corporate Finance I: Financing and Monitoring** Chair: Igor Lončarski *Location: Faculty Club, Theater*	**Flash Talk I: Mathematical Finance and Machine Learning** Chair: András Fülöp and Robert Faff *Location: Room 2001*
Papers	Modelling Contagious Bank Runs Luitgard Anna Maria Veraart. On the Core of Tree Enterprise Games Tamás Solymosi. Through-the-Cycle PD Estimation Under Incomplete Data. A Single Risk Factor Approach Barbara Dömötör, Ferenc Illés. The Interoperability of Financial Data Elif Cansu Akoguz, Tarik Roukny, Tamás Vadász.	Memory and Beliefs in Financial Markets: A Machine Learning Approach Zhongtian Chen, Jiyuan Huang. AI Infrastructure, Firm Value and Expected Stock Returns Yi Zhou. How can a Fed Chair not be an actor? László Kiss Marcell, Milán Csaba Badics. Evaluating the Impact of Climate Risk Measures on Firm Value: A Cross-country Study Using Machine Learning Models Seungho Lee, Christophe Schalck, Meryem Yankol-Schalck.	Institutional Investors' Monitoring Incentives in Corporate Bonds Itay Kedmi, Guy Lakan. Proximity Peril: The Effects of Neighbouring Firms' Biodiversity Risk on Firm Value Chenhao Guo, Rui Zhong. Maturity Choice, Debt Rollover, and Asymmetric Information Christian Hilpert, Stefan Hirth, Jan Pape, Alexander Szimayer. Eyes on ESG: Unlocking the Power of CEO Letters Igor Lončarski, Katarina Sitar Šuštar, Aljoša Valentinčič.	A Natural Copula Peter B. Lerner. The Random Matrix-Based Informative Content of Correlation Matrices in Stock Markets Laura Molero González, Roy Cerqueti, Raffaele Mattera, Juan E. Trinidad Segovia. Does Central Bank Tone Matter for Fama-French Factor Returns? Marcell P. Granát, Bence Siket. Directed R2 Connectedness Measures Márton Espán, Milán Csaba Badics. A New Approach to Measure Causal Network Connectedness Milán Csaba Badics, Márton Espán. Foreign Exchange and Energy: Mapping Risk and Return Connectedness in Developed and Emerging Economies Florin Aliu, Ujkan Bajra, Renata Karkowska, Szczepan Urjasz. Forecasting Price Volatility of Non-Ferrous Metals: A Comparison of Econometric, Machine Learning, and AI Models Rafal Sieradzki, Slawomir Kwiatek.

13:00 – 14:30 *Lunch break and late registration (Main Building, Ground Floor Courtyard)*

14:30 – 16:00	**Parallel sessions (3 papers, 30 minutes each)**			**Flash Talks (5 papers, 15 minutes each)**
Session Title, Chair, Location	**Special Session: Household Finance** Chair: Zsuzsa R. Huszár *Location: Lecture Hall III*	**Session 3** **Asset Pricing II: Price Predictability** Chair: Florian Borchard *Location: Faculty Club, Salon*	**Session 4** **Financial Intermediation I: Risk distribution** Chair: Adam Zawadowski *Location: Faculty Club, Theater*	**Flash Talk II: Banking and Regulation** Chair: Robert Faff and Tamás Vadász *Location: Room 2001*
Papers	What is the key consideration in households' financial decision making in Hungary: Bargaining position or efficient time sharing? Zsuzsa R. Huszár, Erzsébet T. Varga. Soft Negotiators or Modest Builders? Why Women Earn Lower Real Estate Returns Laurent Bach. Is the ECB's monetary policy doomed to overshoot? Consequences of omitting owner-occupied housing from the HICP Sofie Waltl.	Liquidity Supply, Frequent Trading, and Stock Returns Sergey Isaenko. Momentum at Long Holding Periods Paul Calluzzo, Fabio Moneta, Selim Topaloglu. Pieces of the index option return puzzle: Some new evidence Rainer Baule, Florian Borchard.	Bank Diversification and Tail Risk Priyank Gandhi, Darius Palia, Jasper Pan. Credit Scoring Technology and Regime Transitions in the Non-Prime Mortgage Market Jaime Luque. Private Credit: Risks and Benefits of a Maturity Wall Rui Albuquerque, Adam Zawadowski.	Is Bail-In Regulation Credible? Evidence from EU Banks' Bond Issuance Leyla Yusifzada, Robert Faff. Capital Requirements, Credit Supply, and Real Effects on Firms Bálint Várgedő. Systemic Risk and Climate Change: A Common Impact of Transition and Physical Climate Risks on the Polish Banking Sector Ewa Dziwok, Witold Szczepaniak. Liquidity Provision vs. Demand and Information Advantage: A Comparison of Short- and Long-Term Institutions Menachem (Meni) Abudy, Avi Wohl. Failing Public Procurement Procedures in the EU Tünde Tátrai, Péter Juhász, Gyöngyi Vörösmarty, David Tresó.

16:00 – 16:30 *Coffee break (Main Building, Ground Floor Courtyard)*

16:30 – 18:00	**Parallel sessions (3 papers, 30 minutes each)**			**Flash Talks (5 papers, 15 minutes each)**
Session Title, Chair, Location	**Session 5** **Macro Finance I: Systematic Risk** Chair: Orit Milo *Location: Lecture Hall III*	**Session 6** **Asset Pricing III: Complex Instruments** Chair: Lars C. Larsen *Location: Faculty Club, Salon*	**Session 7** **Financial Intermediation II: Central Bank and Policy Transmission** Chair: Ulrich Krüger *Location: Faculty Club, Theater*	**Flash Talk III: Macro Policy and Household Finance** Chair: Robert Faff and Laurent Bach *Location: Room 2001*
Papers	The Insurance Industry under COVID-19 Pandemics Yaffa Machnes, Yochanan Shachmurorove, Roi D. Taussig. International Financial Integration, Economic Growth and Threshold Effects: Some Panel Evidence for Europe Guglielmo Maria Caporale, Anamaria Diana Sova, Robert Sova. Debt Maturity Choice and Aggregate Growth Orit Milo, Jacob Sagi.	Same Same But Different: The Risk Profile of Corporate Bond ETFs Johannes Dinger, Marcel Müller, Aleksandra Rzéznik, Marliese Uhrig-Homburg. Integrating Credit and Equity Markets: A Novel Benefit of Convertible Bonds Alexey Ivashchenko, Rex Wang Renjie. Exchange-Traded Liquidity Lars C. Larsen, Gyuri Venter, Paul Whelan.	Geopolitics meets monetary policy: decoding their impact on cross-border bank lending Swapan-Kumar Pradhan, Viktors Stebunovs, Előd Takáts, Judit Temesvary. Bagehot’s Rule, Collateral, and Solvency Lukas Voellmy. Long-Term Implications of a Digital Euro on Liquidity and Funding Costs in the German Banking System Ulrich Krüger, Lui-Hsian Wong.	The Role of Tax-Free Investment Opportunities in Household Financial Decisions: Real-World Implications of Tax-Exempt Hungarian Government Securities Zsuzsa R. Huszár, Erzsébet T. Varga. Nonlinear Transmission of Monetary Policy and Housing Market Imbalances: Evidence from a Factor-Augmented Threshold VAR Analysis Péter Horváth. Workforce Exposure to LLMs by Human Capital, Including Foreign Language Proficiency Balázs Szabó, Eszter Baranyai, Gábor Neszveda. Optimal Sharing of Family Tax Allowance Among Parents: Personal Income Tax Optimization Strategies in Hungary Erzsébet T. Varga, Petra Németh, Mátyás Kulisity. Trade War and Price Response: Firm-Level Evidence from the 2025 U.S. Tariff Shock Márton Ács, Eszter Baranyai, Gábor Neszveda.

19:00 – 22:00 *Conference dinner (Reserved for invited and registered participants)*
Location: Hungarian Academy of Sciences, Széchenyi István Square 9., Budapest

Friday	**17 October 2025**

08:30 – 09:00 *Registration and welcome coffee (Main Building, Ground Floor Courtyard)*

	Plenary Session - Keynote II. *Chair: Helena Naffa (Lecture Hall III)*
09:00 – 10:00	*Andrea Vedolin: Expectations in Asset Pricing*

10:00 – 10:30 *Coffee break and late registration (Main Building, Ground Floor Courtyard)*

10:30 – 12:30	**Parallel sessions (4 papers, 30 minutes each)**			**Flash Talks (8 papers, 15 minutes each)**
Session Title, Chair, Location	**Special Session: AI & Machine Learning** Chair: András Fülöp *Location: Lecture Hall III*	**Session 8** **Market Microstructure I: Fragmentation** Chair: Leander Gayda *Location: Faculty Club, Salon*	**Session 9** **Financial Intermediation III: Liquidity** Chair: Alfonso Rosa-Garcia *Location: Faculty Club, Theater*	**Flash Talk IV: ESG and Sustainability** Chair: Simona Mateut and James Steeley *Location: Room 2001*
Papers	A Greenwashing Index Elise Gourier, Hélène Mathurin. Liquidity Risk and Labor Market via Heterogeneous Investors Xiaoji Lin, Lin Xie, Runhuan Wang, Yucheng Yang. A Comprehensive Machine Learning Framework for Dynamic Portfolio Choice with Transaction Costs Luca Gaegauf, Simon Scheidegger, Fabio Trojani.	Impeded Flights in the European Sovereign Debt Crisis Yuanyuan Gao, Per Östberg, Thomas Richter. The Modern Bond Market Tomy Lee, Chaojun Wang, Adam Zawadowski. Market Fragmentation: A Cushion Against Exchange Outages? Hans Degryse, Björn Hagströmer, Niklas Landsberg.	Redemption Fees and Gates in the Lab Hubert János Kiss, Alfonso Rosa Garcia, Lukas Voellmy. Bank Stability, Asset Prices, and Liquidity Regulation Monika Bucher, Diemo Dietrich, Mich Tvede. Bank Runs in Large Experimental Banks Hubert Kiss, Ismael Rodriguez-Lara, Alfonso Rosa-Garcia.	Driving Quality in Environmental, Social, and Governance Disclosures: The Role of Information Technology and Auditors in Ethiopia Fekadu Agmas Wassie, Lakatos László Péter. ESG and Asset Pricing Models: Comparison of UK and USA Markets Sachini Welandawe, Vasco Vendrame, Ismail Adelopo. Do Green Customers Green-light Suppliers' Debt Financing: Evidence from Sustainable Development Goals Zhao Fujie, Joey Yang, Chenhao Guo. Cybersecurity Disclosure in European Companies: The Role of ESG Score and Board Characteristics Le Ngoc Thuy Trang, Felix Buabeng-Andoh, Drahomíra Pavelková, Chune Young Chung.

10:30 – 12:30	**Parallel sessions (4 papers, 30 minutes each) (Cont'd)**			**Flash Talks (8 papers, 15 minutes each) (Cont'd)**
Session Title, Chair, Location	**Special Session: AI & Machine Learning** Chair: András Fülöp *Location: Lecture Hall III*	**Session 8** **Market Microstructure** Chair: Leander Gayda *Location: Faculty Club, Salon*	**Session 9** **Financial Intermediation III: Liquidity** Chair: Alfonso Rosa-Garcia *Location: Faculty Club, Theater*	**Flash Talk IV: ESG and Sustainability** Chair: Simona Mateut and James Steeley *Location: Room 2001*
Papers	A Bayesian Gaussian Process Dynamic Factor Model Tony Chernis, Niko Hauzenberger, Haroon Mumtaz, Michael Pfarrhofer.	Inferring the Trade Direction in Option Auctions Leander Gayda.		Macro Risks and Their Impact on Insurers' Stock Prices: Analyzing Climate, Geopolitical, and Cyber Threats Karolina Puławska, Artur Sikora, Malgorzata Snarska, Wojciech Strzelczyk. An Empirical Analysis of the Impact of Natural Disasters on Financial Markets and Financial Stocks in Southeast Asia Zsuzsa R. Huszár, Anita Lovas. Credit Supply and Decarbonisation: Firm-Level Evidence from the Euro Area Neža Ahčin, Matej Marinč, Matic Petriček. When Green Finance Meets Innovation Emilia Németh-Durkó

12:30 – 14:00 *Lunch break and late registration (Main Building, Ground Floor Courtyard)*

14:00 – 15:30	**Parallel sessions (3 papers, 30 minutes each)**		
Session Title, Chair, Location	**Special Session: Climate Finance** Chair: Helena Naffa *Location: Lecture Hall III*	**Session 10** **Financial Markets I: Impacts of Technology and Gender** Chair: Erekle Pirveli *Location: Faculty Club, Salon*	**Session 11** **Macro Finance II: Central Bank and Monetary Markets** Chair: Ljubica Georgievska *Location: Room 2001*
Papers	A Parametric Approach to Real Estate Investing: Integrating Quality and Climate Risk Massimo Guidolin, Milena Petrova. Biodiversity Physical and Transition Risk: the Relationship with Firm Financial Performance Xinglin Li, Helena Naffa. Mandatory CSR Spending and Stock Price Crash Risk Simona Mateut, Shiwani Varal.	Asset (and Data) Managers Marco Zanotti. The Influence of Manager Characteristics on Mutual Fund Performance: Does Gender Play a Role? Anna Zsofia Csiky, Stefan Pichler. Gendered Lobbying Around the European Sustainability Reporting Standards: An LLM-Powered Analysis of Public Comment Letters Erekle Pirveli.	Knowledge and Influence: Mapping the Research Landscape Across the Most Prominent Central Banks Dalma Fekete, Eszter Baranyai, Gábor Neszveda. Institutional Entrepreneurship at the First Joint Stock Bank in England and the Strategy of 'Controlling the Narrative' Plamen Ivanov, Richard Werner. The Biggest Short: Duration in the Shadows Ljubica Georgievska, Anthony Saunders.

15:30 – 16:00 *Farewell reception with coffee (Main Building, Ground Floor Courtyard)*

Organizers

Institute of Finance

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Game Theory Research Group
ELTE Centre for Economic and Regional Studies

Faculty of Economics
Eötvös Loránd University

ESSEC Business School
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