



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)

Wi-Fi network name: Corvinus Events

Wi-Fi password: Event@BCE25

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	<i>Jeffrey Pontiff: A Century of Market Reversals: Resurrecting Volatility</i>

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 <u>Luitgard Anna Maria Veraart.</u> On the Core of Tree Enterprise Games <u>Tamás Solymosi.</u> Through-the-Cycle PD Estimation Under Incomplete Data. A Single Risk Factor Approach <u>Barbara Dömötör,</u> Ferenc Illés. The Interoperability of Financial Data Elif Cansu Akoguz, Tarik Roukny, <u>Tamás Vadász.</u>	Memory and Beliefs in Financial Markets: A Machine Learning Approach Zhongtian Chen, <u>Jiyuan Huang.</u> AI Infrastructure, Firm Value and Expected Stock Returns <u>Yi Zhou.</u> How can a Fed Chair not be an actor? <u>László Kiss Marcell,</u> Milán Csaba Badics. Evaluating the Impact of Climate Risk Measures on Firm Value: A Cross-country Study Using Machine Learning Models Seungho Lee, <u>Christophe Schalck,</u> Meryem Yankol-Schalck.	Institutional Investors' Monitoring Incentives in Corporate Bonds Itay Kedmi, <u>Guy Lakan.</u> Proximity Peril: The Effects of Neighbouring Firms' Biodiversity Risk on Firm Value <u>Chenhao Guo,</u> Rui Zhong. Maturity Choice, Debt Rollover, and Asymmetric Information Christian Hilpert, Stefan Hirth, Jan Pape, <u>Alexander Szimayer.</u> Eyes on ESG: Unlocking the Power of CEO Letters <u>Igor Lončarski,</u> Katarina Sitar Šuštar, Aljoša Valentinčič.	A Natural Copula <u>Peter B. Lerner.</u> The Random Matrix-Based Informative Content of Correlation Matrices in Stock Markets <u>Laura Molero González,</u> Roy Cerqueti, Raffaele Mattera, Juan E. Trinidad Segovia. Does Central Bank Tone Matter for Fama-French Factor Returns? <u>Marcell P. Granát,</u> Bence Siket. Directed R2 Connectedness Measures Márton Espán, <u>Milán Csaba Badics.</u> A New Approach to Measure Causal Network Connectedness Milán Csaba Badics, <u>Márton Espán.</u> Foreign Exchange and Energy: Mapping Risk and Return Connectedness in Developed and Emerging Economies Florin Aliu, Ujkan Bajra, <u>Renata Karkowska,</u> Szczepan Urjasz. Forecasting Price Volatility of Non-Ferrous Metals: A Comparison of Econometric, Machine Learning, and AI Models <u>Rafal Sieradzki,</u> 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 <i>Location: Lecture Hall III</i>	Session 3 Asset Pricing II: Price Predictability Chair: Florian Borchard <i>Location: Faculty Club, Salon</i>	Session 4 Financial Intermediation I: Risk distribution Chair: Adam Zawadowski <i>Location: Faculty Club, Theater</i>	Flash Talk II: Banking and Regulation Chair: Robert Faff and Tamás Vadász <i>Location: Room 2001</i>
Papers	What is the key consideration in households' financial decision making in Hungary: Bargaining position or efficient time sharing? <u>Zsuzsa R. Huszár</u>, Erzsébet T. Varga. Soft Negotiators or Modest Builders? Why Women Earn Lower Real Estate Returns <u>Laurent Bach</u>. Is the ECB's monetary policy doomed to overshoot? Consequences of omitting owner-occupied housing from the HICP <u>Sofie Waltl</u>.	Liquidity Supply, Frequent Trading, and Stock Returns <u>Sergey Isaenko</u>. Momentum at Long Holding Periods Paul Calluzzo, <u>Fabio Moneta</u>, Selim Topaloglu. Pieces of the index option return puzzle: Some new evidence Rainer Baule, <u>Florian Borchard</u>.	Bank Diversification and Tail Risk Priyank Gandhi, <u>Darius Palia</u>, Jasper Pan. <i>Discussant: Edina Berlinger</i>. Credit Scoring Technology and Regime Transitions in the Non-Prime Mortgage Market <u>Jaime Luque</u>. <i>Discussant: Adam Zawadowski</i>. Private Credit: Risks and Benefits of a Maturity Wall Rui Albuquerque, <u>Adam Zawadowski</u>. <i>Discussant: Jaime Luque</i>.	Is Bail-In Regulation Credible? Evidence from EU Banks' Bond Issuance <u>Leyla Yusifzada</u>, Robert Faff. Capital Requirements, Credit Supply, and Real Effects on Firms <u>Bálint Várgedő</u>. Systemic Risk and Climate Change: A Common Impact of Transition and Physical Climate Risks on the Polish Banking Sector <u>Ewa Dziwok</u>, Witold Szczepaniak. Liquidity Provision vs. Demand and Information Advantage: A Comparison of Short- and Long-Term Institutions Menachem (Meni) Abudy, <u>Avi Wohl</u>. Failing Public Procurement Procedures in the EU Tünde Tátrai, <u>Péter Juhász</u>, 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 <i>Location: Lecture Hall III</i>	Session 6 Asset Pricing III: Complex Instruments Chair: Lars C. Larsen <i>Location: Faculty Club, Salon</i>	Session 7 Financial Intermediation II: Central Bank and Policy Transmission Chair: Ulrich Krüger <i>Location: Faculty Club, Theater</i>	Flash Talk III: Macro Policy and Household Finance Chair: Robert Faff and Laurent Bach <i>Location: Room 2001</i>
Papers	The Insurance Industry under the COVID-19 Pandemic <u>Yaffa Machnes</u>, Yochanan Shachmurorove, Roi D. Taussig. Debt Maturity Choice and Aggregate Growth <u>Orit Milo</u>, Jacob Sagi.	Same Same But Different: The Risk Profile of Corporate Bond ETFs <u>Johannes Dinger</u>, Marcel Müller, Aleksandra Rzęznik, Marliese Uhrig-Homburg. Integrating Credit and Equity Markets: A Novel Benefit of Convertible Bonds <u>Alexey Ivashchenko</u>, Rex Wang Renjie. Exchange-Traded Liquidity <u>Lars C. Larsen</u>, Gyuri Venter, Paul Whelan.	Geopolitics meets monetary policy: decoding their impact on cross-border bank lending Swapan-Kumar Pradhan, Viktors Stebunovs, <u>Előd Takáts</u>, Judit Temesvary. Bagehot's Rule, Collateral, and Solvency <u>Lukas Voellmy</u>. Long-Term Implications of a Digital Euro on Liquidity and Funding Costs in the German Banking System <u>Ulrich Krüger</u>, 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, <u>Erzsébet T. Varga</u>. Nonlinear Transmission of Monetary Policy and Housing Market Imbalances: Evidence from a Factor-Augmented Threshold VAR Analysis <u>Péter Horváth</u>. Workforce Exposure to LLMs by Human Capital, Including Foreign Language Proficiency <u>Balázs Szabó</u>, Eszter Baranyai, Gábor Neszveda. Optimal Sharing of Family Tax Allowance Among Parents: Personal Income Tax Optimization Strategies in Hungary Erzsébet T. Varga, <u>Petra Németh</u>, Mátyás Kulisity. Trade War and Price Response: Firm-Level Evidence from the 2025 U.S. Tariff Shock <u>Márton Ács</u>, 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: <i>Expectations in Asset Pricing</i>

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 <u>Elise Gourier</u>, Hélène Mathurin. Liquidity Risk and Labor Market via Heterogeneous Investors Xiaoji Lin, Lin Xie, Runhuan Wang, <u>Yucheng Yang</u>. A Comprehensive Machine Learning Framework for Dynamic Portfolio Choice with Transaction Costs Luca Gaegauf, Simon Scheidegger, <u>Fabio Trojani</u>.	Impeded Flights in the European Sovereign Debt Crisis <u>Yuanyuan Gao</u>, Per Östberg, Thomas Richter. The Modern Bond Market <u>Tomy Lee</u>, Chaojun Wang, Adam Zawadowski. Market Fragmentation: A Cushion Against Exchange Outages? Hans Degryse, Björn Hagströmer, <u>Niklas Landsberg</u>.	Redemption Fees and Gates in the Lab <u>Hubert János Kiss</u>, Alfonso Rosa Garcia, Lukas Voellmy. Bank Stability, Asset Prices, and Liquidity Regulation Monika Bucher, <u>Diemo Dietrich</u>, Mich Tvede. Bank Runs in Large Experimental Banks Hubert Kiss, Ismael Rodriguez-Lara, <u>Alfonso Rosa-Garcia</u>.	Driving Quality in Environmental, Social, and Governance Disclosures: The Role of Information Technology and Auditors in Ethiopia <u>Fekadu Agmas Wassie</u>, Lakatos László Péter. ESG and Asset Pricing Models: Comparison of UK and USA Markets <u>Sachini Welandawe</u>, Vasco Vendrame, Ismail Adelopo. Do Green Customers Green-light Suppliers' Debt Financing: Evidence from Sustainable Development Goals <u>Zhao Fujie</u>, Joey Yang, Chenhao Guo. Cybersecurity Disclosure in European Companies: The Role of ESG Score and Board Characteristics <u>Le Ngoc Thuy Trang</u>, 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 <i>Location: Lecture Hall III</i>	Session 8 Market Microstructure Chair: Leander Gayda <i>Location: Faculty Club, Salon</i>	Session 9 Financial Intermediation III: Liquidity Chair: Alfonso Rosa-Garcia <i>Location: Faculty Club, Theater</i>	Flash Talk IV: ESG and Sustainability Chair: Simona Mateut and James Steeley <i>Location: Room 2001</i>
Papers	A Bayesian Gaussian Process Dynamic Factor Model Tony Chernis, <u>Niko Hauzenberger</u> , Haroon Mumtaz, Michael Pfarrhofer.	Inferring the Trade Direction in Option Auctions <u>Leander Gayda</u> .		Macro Risks and Their Impact on Insurers' Stock Prices: Analyzing Climate, Geopolitical, and Cyber Threats Karolina Puławska, Artur Sikora, <u>Malgorzata Snarska</u> , Wojciech Strzelczyk. An Empirical Analysis of the Impact of Natural Disasters on Financial Markets and Financial Stocks in Southeast Asia Zsuzsa R. Huszár, <u>Anita Lovas</u> . Credit Supply and Decarbonisation: Firm-Level Evidence from the Euro Area <u>Neža Ahčin</u> , Matej Marinč, Matic Petriček. When Green Finance Meets Innovation <u>Emilia Németh-Durkó</u>

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

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

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See you in 2026 at the 17th AFML Conference!