

**SIXTH ERASMUS LIQUIDITY CONFERENCE**  
**August 26 & 27, 2013**

**Erasmus University**

**Organizers**

Dion Bongaerts  
Mark Van Achter  
Dick van Dijk  
Mathijs van Dijk

**Venue**

Erasmus University, Woudestein Campus,  
Burgemeester Oudlaan 50, Rotterdam

For the sixth year in succession, the Econometric Institute, the Rotterdam School of Management (RSM), and the Erasmus Financial Markets Centre ([EFMC](#)) at Erasmus University jointly organize a two-day conference with the principal objective of presenting and discussing recent advances in academic research on market liquidity.

Novel in this year's edition of the conference is the **Panel Discussion on High-Frequency Trading** (featuring regulators, academics, and market operators/participants) to discuss the impact of high-frequency trading on market liquidity/stability.

We gratefully acknowledge financial support from Fidessa, the Erasmus Research Institute of Management (ERIM), and the Tinbergen Institute.

**Registration**

To register for this conference, please send the registration form (to be found on the conference website, click [here](#)) by e-mail to [liquidity@rsm.nl](mailto:liquidity@rsm.nl). Registration is free for participants from academic institutions, and for members of regulatory institutions. For other participants, there is a fee of €300 for the entire conference and €250 for the regulatory event only. For CFA charter holders fees are reduced by €50. The registration fee includes coffee/tea and refreshments, lunches for participants of the whole conference and drinks for the participants of the regulatory event. The deadline for registration is Monday, August 5, 2013.

## SIXTH ERASMUS LIQUIDITY CONFERENCE

### Program Doctoral Symposium (Monday, August 26 - Room C2-2)

- 8:45 – 9:10 Registration
- 9:10 – 9:15 Welcome address by **Dion Bongaerts**
- 9:15 – 10:45 SESSION I**  
Session chair: **Wing Wah Tham (Econometric Institute, Erasmus University)**
- “Stock Repurchases and Market Liquidity”  
**Alexander Hillert, Ernst Maug, and Stefan Obernberger (University of Mannheim)**  
Discussant: **Ailsa Röell (Columbia University)**
- “The Impact of Arbitrageurs on Market Liquidity”  
**Dominik M. Rösch (Rotterdam School of Management, Erasmus University)**  
Discussant: **Avi Wohl (Tel Aviv University)**
- 10:45 – 11:15 Coffee break
- 11:15 – 12:45 SESSION II**  
Session chair: **Elvira Sojli (Rotterdam School of Management, Erasmus University)**
- “Equilibrium Asset Pricing and Portfolio Choice in the Presence of both Liquid and Illiquid Markets”  
**Rémy Praz (Swiss Finance Institute)**  
Discussant: **Albert J. Menkveld (VU University Amsterdam)**
- “Bid-Ask Spreads and the Decentralized Interdealer Markets: Core and Peripheral Dealers”  
**Artem Neklyudov (Carnegie Mellon University)**  
Discussant: **Jérôme Dugast (Banque de France)**
- 12:45 – 14:00 Lunch break

## SIXTH ERASMUS LIQUIDITY CONFERENCE

### Program Main Conference (Monday, August 26 – Room C2-2)

**14:00 – 15:45 SESSION III**

Session chair: **Mathijs van Dijk** (Rotterdam School of Management, Erasmus University)

“Market Turmoil and Destabilizing Speculation”  
**Marco Di Maggio** (MIT)

Discussant: **Ioanid Roşu** (HEC Paris)

KEYNOTE: “The Conditional Liquidity Risk of Corporate Bond Returns”  
**Viral Acharya** (New York University)

15:45 – 16:15 Coffee break

**16:15 – 17:45 SESSION IV**

Session chair: **Sarah Draus** (University of Naples Federico II)

“Informed Trading before Unscheduled Corporate Events: Theory and Evidence”  
Shmuel Baruch, Marios Panayides, and **Kumar Venkataraman** (Southern Methodist University)

Discussant: **Erik Theissen** (University of Mannheim)

“Does Order Splitting Signal Uninformed Order Flow?”  
Hans Degryse, Frank de Jong, and **Vincent van Kervel** (VU University Amsterdam)

Discussant: **Andreas Park** (University of Toronto)

17:45 – 22:30 Dinner for presenters and discussants

*Keynote presentations: 45 minutes*

*Presentations: 25 minutes*

*Discussions: 10 minutes*

## SIXTH ERASMUS LIQUIDITY CONFERENCE

### Program Main Conference (Tuesday, August 27 – Room C2-2)

**9:00 – 10:45**    **SESSION I:**

Session chair: **Mark Van Achter (Rotterdam School of Management, Erasmus University)**

“Informed Trading and Maker-Taker Fees in a Low-Latency Limit Order Market”  
**Michael Brolley and Katya Malinova (University of Toronto)**

Discussant: **Sarah Draus (University of Naples Federico II)**

KEYNOTE: “An Introduction to Market Microstructure Invariants”  
**Albert ‘Pete’ Kyle (University of Maryland)**

10:45 – 11:00    Coffee break

**11:00 – 12:30**    **SESSION II**

Session chair: **Dick van Dijk (Econometrics Institute, Erasmus University)**

“Sand in the Chips? Evidence on Taxing Transactions in Modern Markets”  
**Jean-Edouard Colliard (European Central Bank)** and Peter Hoffmann

Discussant: **Elvira Sojli (Rotterdam School of Management, Erasmus University)**

“Toxic Arbitrage”

**Roman Kozhan (University of Warwick)**, Thierry Foucault, and Wing Wah Tham

Discussant: **Hans Degryse (University of Leuven)**

12:30 – 13:45    Lunch break

*Keynote presentations: 45 minutes*

*Presentations: 25 minutes*

*Discussions: 10 minutes*

## SIXTH ERASMUS LIQUIDITY CONFERENCE

### Program Regulatory Event on High-Frequency Trading (Tuesday, August 27 - Senaatszaal)

**13:45 – 15:30 SESSION III**

Session chair: **Dion Bongaerts (Rotterdam School of Management, Erasmus University)**

“An Academic View on High-Frequency Trading”  
**Albert ‘Pete’ Kyle (University of Maryland)**

“Overview of (Proposed) Regulation of High-Frequency Trading”  
**Jasper Jorritsma (European Commission)**

“Overview of Advances in Trading Technology”  
**Christian Voigt (Fidessa)**

“Digging into Market Events”  
**Bernard Hosman and Fabian Rijlaarsdam (Eurex)**

15:30 – 16:00 Coffee break

**16:00 – 17:30 SESSION IV - Panel discussion on High-Frequency Trading**

Moderator: **Ioanid Roşu (HEC Paris)**

Participants:

**Ryan Chidley (APG)**

**Richard Gardiner (FESE)**

**Jasper Jorritsma (European Commission)**

**Albert ‘Pete’ Kyle (University of Maryland)**

**Remco Lenterman (IMC)**

17:30 – 17:45 Doctoral Student Award Ceremony and closing address by **Mark Van Achter**

17:45 – 19:00 Social drinks (at Faculty Club, H-17)

*Presentations: 20 minutes*

## SIXTH ERASMUS LIQUIDITY CONFERENCE

### Confirmed Participants

<u>Name</u>	<u>Affiliation</u>
Viral Acharya	New York University
Dion Bongaerts	Rotterdam School of Management, Erasmus University
Ryan Chidley	APG
Jean-Edouard Colliard	European Central Bank
Hans Degryse	University of Leuven
Frank de Jong	Tilburg University
Marco Di Maggio	MIT
Sarah Draus	University of Naples Federico II
Jérôme Dugast	Banque de France
Richard Gardiner	Federation of European Stock Exchanges
Peter Hoffmann	European Central Bank
Bernard Hosman	Eurex
Jasper Jorritsma	European Commission
Roman Kozhan	University of Warwick
Albert 'Pete' Kyle	University of Maryland
Remco Lenterman	IMC
Katya Malinova	University of Toronto
Albert J. Menkveld	VU University Amsterdam
Artem Neklyudov	Carnegie Mellon University
Stefan Obernberger	University of Mannheim
Andreas Park	University of Toronto
Rémy Praz	Swiss Finance Institute
Ailsa Röell	Columbia University
Dominik M. Rösch	Rotterdam School of Management, Erasmus University
Ioanid Roşu	HEC Paris
Fabian Rijlaarsdam	Eurex
Elvira Sojli	Rotterdam School of Management, Erasmus University
Wing Wah Tham	Econometric Institute, Erasmus University
Erik Theissen	University of Mannheim

<u>Name</u>	<u>Affiliation</u>
Mark Van Achter	Rotterdam School of Management, Erasmus University
Dick van Dijk	Econometric Institute, Erasmus University
Mathijs van Dijk	Rotterdam School of Management, Erasmus University
Vincent van Kervel	VU University Amsterdam
Kumar Venkataraman	Southern Methodist University
Christian Voigt	Fidessa
Avi Wohl	Tel Aviv University
Marius A. Zoican	VU University Amsterdam



## Directions to Erasmus University – Woudestein Campus

### By Air

When arriving at Schiphol Airport (Amsterdam): Take a train to Rotterdam Central Station (about 50 minutes by regular train or 25 minutes by high-speed “Fyra”). Then take a taxi to Erasmus University (Woudestein campus). When arriving at Rotterdam Airport (European flights only): Take a taxi to Erasmus University (Woudestein campus).

### By Car

Coming from the south (A16): First follow the direction “Ring Rotterdam, Den Haag.” Near Ridderkerk, take directions “Feijenoord / Centrum / Kralingen / Capelle.” When crossing the Van Brienoordbrug, take the exit “Rotterdam Centrum / Capelle” and you will arrive at a roundabout. On the roundabout, take the “Rotterdam Centrum” exit. Then take the first turn to the right after the Shell petrol station. You have arrived at Burgemeester Oudlaan. The main entrance of the Woudestein campus is 100 meters further on your right.

Coming from Utrecht and Den Haag: First follow the direction “Ring Rotterdam / Dordrecht,” and then “Kralingen / Feijenoord / IJsselmonde” and take the exit “Capelle / Centrum.” At the traffic lights follow “Rotterdam Centrum.” Then take the first turn to the right after the Shell petrol station. You have arrived at Burgemeester Oudlaan. The main entrance of the Woudestein campus is 100 meters further on your right.

*Parking is available on campus for a fee.*

### By Public Transport

From Rotterdam Central Station: take the metro (subway) in the direction “Spijkenisse/Slinge.” Change at “Beurs.” Take the direction “Ommoord / Nesselande / Capelle” and exit at “Kralingse Zoom.” When exiting the station, facing the main road, Erasmus University is across the road, about 200 meters to the left. Alternatively, you can take tram number 7 or 21 from Rotterdam Central Station. You should exit at the stop “Erasmus Universiteit / Woudestein” close to the main entrance of the Woudestein campus.

See also: <http://www.eur.nl/english/guide/maps/mapcampuswoudestein/>