



Recent Issues in Finance and Macroeconomics

Australia-Japan Research Centre, Crawford School of Public Policy, ANU
Hitotsubashi Institute for Advanced Study, Hitotsubashi University

*Chancelry Building, ANU
21–22 March 2016*

Objective: This conference is an opportunity for researchers and experts based in Australia and Japan to present their latest research on recent issues in finance and macroeconomics with some focus on Japan.

Meeting format: The conference will be open to public. Seating is limited, so registration is essential. RSVP to Tatsuyoshi Okimoto (tatsuyoshi.okimoto@anu.edu.au) indicating which day you would like to attend.

Venue: Mills Room, Chancelry Building, The Australian National University

Organizers: Tatsuyoshi Okimoto (ANU) and Toshiaki Watanabe (Hitotsubashi University)

Monday 21 March 2016

Conference Day 1, 8:30am–5:40pm

Venue: Mills Room, Chancelry Building, The Australian National University

Conference Dinner (invitation only), 6:00pm–8:30pm

Venue: Capitol Bar & Grill, Acton

Tuesday 22 March 2016

Conference Day 2, 8:30am–3:00pm

Venue: Mills Room, Chancelry Building, The Australian National University

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Conference Day 1, 21 March 2016

8:30 **Registration**

9:00 **Opening remarks** [Shiro Armstrong](#) Australia-Japan Research Centre, ANU

9:05 **Session 1: Asset Pricing**

[Katsumasa Nishide](#) Yokohama National University

Monopolistic Dealer versus Broker: Impact of Proprietary Trading with Transaction Fees

[Kei Kawakami](#) University of Melbourne

The Risk Sharing Benefit versus the Collateral Cost: The Formation of the Inter-Dealer Network in Over-the-Counter Trading

[Masataka Suzuki](#) Yokohama National University

A Continuous-Time Asset Pricing Model with Smooth Ambiguity Preferences

Chaired by [Kosuke Oya](#) Osaka University

11:05 **Morning tea**

11:30 **Session 2: Banks**

[Renee Adams](#) UNSW

Bankers on Fed Boards: Is Good News for the Banks Bad News for the Fed?

[Yoshiaki Ogura](#) Waseda University

The Objective Function of Government-Controlled Banks in a Financial Crisis

Chaired by [Ying Xu](#) ANU

12:50 **Lunch**

14:00 **Session 3: Japanese Economy and Pension System**

[Kyoji Fukao](#) Hitotsubashi University

Lessons from Japan's Secular Stagnation

[Toshiki Honda](#) Hitotsubashi University

Ten Years after Japanese Public Pension Reform

[Tomoo Inoue](#) Seikei University

Measuring the Effects of External Shocks on the Asia-Pacific Economies

Chaired by [Tatsuyoshi Okimoto](#) ANU

16:00 **Afternoon tea**

16:20 **Session 4: Corporate Behaviour**

[Daisuke Miyakawa](#) Hitotsubashi University

Multiple Lenders, Temporary Debt Restructuring, and Firm Performance: Evidence from Contract-Level Data

[Phong Ngo](#) ANU

Budget Cycles, R&D Investment and Crowding Out: Government Dependent Firms and Their Peers

Chaired by [Takeshi Yamada](#) ANU

18:00 **Conference dinner (invitation only)**

Conference Day 2, 22 March 2016

8:30 **Registration**

9:00 **Session 5: Macroeconometrics**

James Morley UNSW

A Reliable Output Gap Based on Imposing a Low Signal-to-Noise Ratio in a Beveridge-Nelson Decomposition of Simple Autoregressive Models

Yohei Yamamoto Hitotsubashi University

Asymptotic Inference for Common Factor Models in the Presence of Jumps

Chaired by **Toshiaki Watanabe** Hitotsubashi University

10:20 **Morning tea**

10:40 **Session 6: Macroeconomic Theory**

Takashi Kano Hitotsubashi University

The First Arrow Hitting the Currency Target: A Long-Run Risk Perspective

Yunjong Eo University of Sydney

The Optimal Inflation Target under the Output-Inflation Trade-off

Chaired by **Mototsugu Shintani** University of Tokyo

12:00 **Lunch**

13:00 **Session 7: Fiscal Policy in Japan**

Etsuro Shioji Hitotsubashi University

A New Daily Indicator for Fiscal News in Japan

Yuichiro Waki University of Queensland

Is Forward Guidance Useful for Fiscal Policy?

Hiroshi Morita Hitotsubashi University

Japanese Fiscal Policy under the Zero Lower Bound of Nominal Interest Rates: Time-Varying Parameters Vector Autoregression

Chaired by **Timothy Kam** ANU

15:00 Closing remarks

Toshiaki Watanabe Hitotsubashi University