

# INTERAGENCY RISK QUANTIFICATION FORUM

NOVEMBER 29–30, 2022

A JOINT CONFERENCE OF THE FEDERAL RESERVE BANK OF PHILADELPHIA, FDIC & OCC

FEDERAL RESERVE BANK  
PHILADELPHIA



FDIC



## Day 1: November 29, 2022

8:30–9:00am Registration & Breakfast

9:00–9:15am Opening Remarks  
Pat Mitchell (Director, DIR, FDIC)

9:15–10:45am **Climate Risk I: Transition Risk**  
Moderator: Alex Ufier (FDIC)

**Paper 1: Transition Risk and Bank Performance: Evidence from U.S. Coal Mining**

Ding Du (OCC) and Stephen Karolyi (OCC) [Presentation](#)

Discussant: Jennifer Rhee (FDIC) [Presentation](#)

**Paper 2: [Climate Transition Risk in US Regions with an Application to Community Banks](#)**

Mitchell Berlin (FRB-PHIL), SungJe Byun (FRB-DAL), Pablo D'Erasmus (FRB-PHIL), and Edison Yu (FRB-PHIL) [Presentation](#)

Discussant: Ehraz Refayet (OCC) [Presentation](#)

**Paper 3: [Sectoral Transition Risk in an Environmentally Augmented Production Network Model](#)**

George Krivorotov (OCC) [Presentation](#)

Discussant: Carlos Ramirez Correa (FRB) [Presentation](#)

10:45–11:00am Break

11:00am–Noon **Climate Risk II : Physical Risk**  
Moderator: Jon Pogach (FDIC)

**Paper 1: A Bottom-Up Approach to Climate Stress Tests: The Effect of Hurricanes on Mortgage Repayment**

Xudong An (FRB-PHIL), Siddhartha Biswas (FRB-PHIL), Mallick Hossain (FRB-PHIL), Solomon Tarlin (FRB-PHIL), and Calvin Zhang (FRB-PHIL) [Presentation](#)

Discussant: Benjamin Dennis (FRB) [Presentation](#)

**Paper 2: Mortgage Repayment and Prepayment after California Wildfires**  
Siddhartha Biswas (FRB-PHIL), Mallick Hossain (FRB-PHIL), David Zink (FRB-SF)

[Presentation](#)

Discussant: Ken Ueda (OCC) [Presentation](#)

12:00–12:45pm Lunch

12:45–1:15pm **Keynote Address**  
Dr. Yue (Nina) Chen (OCC Climate Risk Officer)

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- 1:15–2:45pm COVID19 and CECL Models**  
Moderator: Partha Sengupta (OCC)
- Paper 1: [New Accounting Framework Faces Its First Test: CECL During the Pandemic](#)**  
Bert Loudis (FRB), Sasha Pechenik (FRB), Ben Ranish (FRB), **Cindy Vojtech** (FRB), and Helen Xu (FRB) [Presentation](#)  
Discussant: **George Shoukry** (FDIC) [Presentation](#)
- Paper 2: [CECL Implementation and Model Risk During the Pandemic](#)**  
**Jose Canals-Cerda** (FRB-PHIL) [Presentation](#)  
Discussant: **Natalya Schenck** (OCC) [Presentation](#)
- Paper 3: [Forecasting Non-Performing Retail Loans During the COVID-19 Pandemic: The Effect of Forbearance on Model Error](#)**  
**QingQing Chen** (OCC) and Christopher Wheeler (OCC) [Presentation](#)  
Discussant: **Calvin Zhang** (FRB-PHIL) [Presentation](#)
- 2:45–3:00pm Break**
- 3:00–5:00pm Emerging Risks in Banking**  
Moderator: Neil Desai (FRB-ATL)
- Paper 1: [Opioid and Consumer Credit: Quo Vadis?](#)**  
**Wenli Li** (FRB-PHIL), Raluca Roman (FRB-PHIL) and Nonna Sorokina (Penn State) [Presentation](#)  
Discussant: **Chris Henderson** (FRB-PHIL) [Presentation](#)
- Paper 2: [Identifying Fraud in Financial Institutions](#)**  
**Chiwon Yom** (FDIC) and Phillip Li (FDIC) [Presentation](#)  
Discussant: **Chase Ross** (FRB)
- Paper 3: Determinants of Losses on Construction Loans: Bad Loans, Bad Banks, or Bad Markets**  
**Emily Johnston-Ross** (FDIC), Joseph Nichols (FRB) and Lynn Shibut (FDIC) [Presentation](#)  
Discussant: **Mark Carey** (FRB-CLE) [Presentation](#)
- Paper 4: [Bank Regulation: Capital and Liquidity Requirements](#)**  
**Jordan Pandolfo** (FDIC) [Presentation](#)  
Discussant: **Larry Cordell** (FRB-PHIL) [Presentation](#)
- 5:00–6:30pm Reception**

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## Day 2: November 30th, 2022

8:30–9:00am Breakfast

9:00–10:30am **Fintech Lending, Credit Screening, and Bank Technology**  
Moderator: Yaniv Gershon (FRB–BOS)

**Paper 1: Alternative Data in Credit Underwriting: Can Better Predictions Reduce Racial Disparities?**

Sean Lewis–Faupel (OCC), Jeremiah Richey (OCC),  
Maxime Roy (OCC)

Discussant: **Simon Freyaldenhoven** (FRB–PHIL)

**Paper 2: Inside the Boardroom: Evidence from the Board Structure and Meeting Minutes of Community Banks**

Rosalind Bennett (FDIC), Manju Puri (Duke), and  
**Paul E. Soto** (FRB)

Discussant: **Simon Kwan** (FRB–SF)

**Paper 3: [Bank Technology and the COVID-19 Pandemic](#)**

**Mark J. Kutzbach** (FDIC), Jonathan Pogach (FDIC)

Discussant: **Lei Ding** (FRB–PHIL)

[Presentation](#)

[Presentation](#)

10:30–10:45am Break

10:45–12:15pm **Fintech, DeFi, and Cyber Risks**  
Moderator: Julapa Jagtiani (FRB–PHIL)

**Paper 1: [Cyberattacks and Financial Stability: Evidence from a Natural Experiment](#)**

Antonis Kotidis (FRB), Stacey Schreft (FRB)

Discussant: **Thomas Eisenbach** (FRB–NY)

[Presentation](#)

[Presentation](#)

**Paper 2: [Decentralized Finance \(DeFi\): Transformative Potential & Associated Risks](#)**

Francesca Carapella (FRB), Edward Dumas (FRB–BOS), Jacob Gerszten  
(FRB–BOS), Nathan Swem (FRB), **Larry Wall** (FRB–ATL)

Discussant: **Antoine Martin** (FRB–NY)

[Presentation](#)

[Presentation](#)

**Paper 3: Analyzing Bank Cybersecurity Disclosures Using Machine Learning**

**Simpson Zhang** (OCC)

Discussant: **MinChul Shin** (FRB–PHIL)

12:15–1:00pm Lunch

1:00–1:30pm **Keynote**

**Lisa Ryu** (FRB Supervision and Regulation, Senior Associate Director)

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## 1:30–3:00pm Fair Lending and Equal Access

Moderator: Sean Lewis-Faupel (OCC)

### Paper 1: Closing Time? Branch Foot Traffic, Race, and the Community Reinvestment Act

Patrick Rooney (FRB-CLE), Catherine Chen (FRB-CLE), Brett Barkley (FRB-CLE)

[Presentation](#)

Discussant: Kristopher Rengert (FDIC)

### Paper 2: [The Age Gap in Mortgage Access](#)

Natee Amornsiripanitch (FRB-PHIL)

[Presentation](#)

Discussant: Garrett Senney (OCC)

[Presentation](#)

### Paper 3: [Applications or Approvals: What Drives Racial Disparities in the Paycheck Protection Program](#)

Sergey Chernenko (Purdue), Nathan Kaplan (FRB-NY), Asani Sarkar (FRB-NY), David Scharfstein (Harvard)

[Presentation](#)

Discussant: Mark Schweitzer (FRB-CLE)

[Presentation](#)

## 3:00–3:15pm Break

## 3:15–4:45pm Stress Testing

Moderator: Feng Li (OCC)

### Paper 1: [Why Do Models That Predict Failure Fail?](#)

Hua Kiefer (FDIC) and Tom Mayock (UNC-Charlotte)

[Presentation](#)

Discussant: Ronel Elul (FRB-PHIL)

### Paper 2: The Design of Stress Test Models Matters – Levels Versus Differences

Jeffrey Jou (Wharton), John Krainer (FRB), Anthony Murphy (FRB-DAL), Michael Perez (FRB-DAL), Michael Tindall (FRB-DAL), and Teng Weng (FRB)

Discussant: Harini Parthasarathy (OCC)

### Paper 3: [Bank Stress Tests and Consumer Credit Markets: Credit and Real Impacts](#)

Sumit Agarwal (NUS), Xudong An (FRB-PHIL), Larry Cordell (FRB-PHIL), Raluca Roman (FRB-PHIL)

[Presentation](#)

Discussant: Robert Sarama (FRB)

4:45 PM

Adjourned