

Report on Workshops on Central Bank Digital Currencies and Financial Economics & Econometrics held at City University 4th and 5th April.

The two workshops were well attended and were hosted by the Department of Economics. The Day 1 workshop on Central Banks Digital Currencies (CBDCs) was presided over by Xiaogang Che and Keith Pilbeam from the Economics Department. It included presentations relating to the usefulness, different approaches to CBDCs, dealing with trust and transition issues and how CBDCs might affect existing financial intermediaries and financial stability. There was also extensive discussion of legal and regulatory issues and how the CBDCs might operate either on or off blockchains. There was also discussion of push and pull factors relating to CBDCs and how CBDCs might be able to use smart contracts as is done with some of the existing private digital currencies. There were presentations by Karin Assenmacher from the European central bank, Inaki Aldasoro from the Bank for International Settlements and Ben Hemingway from the Bank of England as well as Professor Alistair Milne from Loughborough Business School.

The Day 2 workshop dealt with issues at the frontier of financial economics and econometrics and was presided over by William Pouliot from the University of Birmingham. It included presentations on a variety of issues such as change point detection in functional data, detecting structural breaks in the covariance structure of financial assets and detecting structural breaks in intra-day volatility patterns. Other presentations dealt with stock price crash risk, information diffusion in decentralized markets and dynamic autoregressive illiquidity and dynamic event studies. There were many distinguished presenters including Professor Oliver Linton from Cambridge University, Professor Lorenzo Trapani from the University of Leicester and Professor Giulia Iori from City.

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