

### **Session 01 - Asset Pricing Models**

Thursday, August 22, 08:30 - 10:00, Room A

Chairperson: Frank De Jong (University of Amsterdam)

#### **Presentations**

##### **Stock and Bond Pricing in an Affine Economy**

**Geert Bekaert (Columbia University)**

Steven Grenadier (Stanford University)

**Discussant:** Hongjun Yan (London Business School)

##### **Revisiting the Shape of the Yield Curve: The Effect of Interest Rate Volatility**

**Charlotte Christiansen (Aarhus School of Business)**

Jesper Lund (Nykredit Bank)

**Discussant:** Andreas Reschreiter (University of Durham)

##### **'Maximal' Convenience Yield Model Implied by Commodity Futures**

**Jaime Casassus (Carnegie Mellon University and Pontificia Universidad Catolica de Chile)**

Pierre Collin-Dufresne (Carnegie Mellon University)

**Discussant:** Stanley E. Zin (Carnegie Mellon University)

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### **Session 02 - Law and Finance**

Thursday, August 22, 08:30 - 10:00, Room B

Chairperson: Rezaul Kabir (Tilburg University)

#### **Presentations**

##### **Courts and Banks: Effects of Judicial Enforcement on Credit Markets**

**Marco Pagano (Università di Salerno)**

Tullio Jappelli (Università di Salerno)

Magda Bianco (Banca d'Italia)

**Discussant:** Ulrich Hege (HEC School of Management)

##### **Corporate Governance, Capital Market Discipline and the Returns on Investment**

**Klaus Gugler (Universität Wien)**

Dennis Müller (Universität Wien)

Burcin Yurtoglu (Universität Wien)

**Discussant:** Elazar Berkovitch (The Interdisciplinary Center Herzliya)

##### **Investor Protection and Earnings Management: An International Comparison**

**Christian Leuz (University of Pennsylvania)**

Peter D. Wysocki (University of Michigan - Ann Arbor)

Dhananjay Nanda (University of Michigan Business School)

**Discussant:** Elroy Dimson (London Business School)

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### **Session 03 - Banking**

Thursday, August 22, 08:30 - 10:00, Room C

Chairperson: Viral V. Acharya (London Business School)

#### **Presentations**

##### **Do Bank Risk Management and Regulatory Policy Reduce Risk in Banking?**

**Loriana Pelizzon (London Business School and Università di Padova)**

Stephen Schaefer (London Business School)

**Discussant:** Robert Bliss (Federal Reserve Bank of Chicago)

### **Market Forces at Work in the Banking Industry: Evidence from the Capital Buildup of the 1990s**

**Kasturi Rangan (Case Western Reserve University)**

Mark J. Flannery (University of Florida)

**Discussant:** Alistair Milne (City University Business School)

### **Contestability, Technology and Banking**

**Reint E. Gropp (Europäische Zentralbank)**

Sandrine Corvoisier (Europäische Zentralbank)

**Discussant:** Ingolf Dittmann (Humboldt-Universität zu Berlin)

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### **Session 04 - Financial Analysts**

Thursday, August 22, 08:30 - 10:00, Room D

Chairperson: Gregor Andrade (Harvard University)

#### **Presentations**

#### **Career Concerns of Analysts: Compensation, Termination, and Performance**

**Xi Li (Vanderbilt University)**

**Discussant:** Jennifer L. Juergens (Arizona State University)

#### **Do Security Analysts Exhibit Persistent Differences in Stock Picking Ability?**

**Richard Willis (Duke University)**

Michael B. Mikhail (Duke University)

Beverly R. Walther (Northwestern University)

**Discussant:** Gregor Andrade (Harvard University)

#### **Buy-side Analysts, Sell-side Analysts, and Information Transmission: Theory and Evidence**

**Jun Qian (Boston College)**

Huanliang Liu (Boston College)

Yingmei Cheng (Florida State University)

**Discussant:** Xi Li (Vanderbilt University)

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### **Session 05 - Symposium: Capital Structure**

Thursday, August 22, 08:30 - 10:00, Room E

Chairperson: Bjarne Astrup Jensen (Copenhagen Business School)

#### **Presentations**

#### **Capital Structure and Real Assets: Effects of an Implicit Collateral to Debt Holders**

**Christian Riis Flor (University of Southern Denmark)**

**Discussant:** Josef Zechner (Universität Wien)

#### **Columbus Egg: The Real Determinant of Capital Structure**

**Ivo Welch (Yale University)**

**Discussant:** Vidhan K. Goyal (Hong Kong University of Science & Technology)

#### **Firm Performance, Capital Structure and the Tax Benefits of Employee Stock Options**

**Kuldeep Shastri (University of Pittsburgh)**

Kathleen M. Kahle (University of Pittsburgh)

**Discussant:** Tim Adam (Hong Kong University of Science & Technology)

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## Session 06 - Large Shareholders

Thursday, August 22, 08:30 - 10:00, Room F

Chairperson: Thomas H. Noe (Tulane University)

### Presentations

#### Shareholder Diversification and the Value of Control

**Martin Holmen (Uppsala Universitet)**

Richard Heaney (Australian National University)

**Discussant:** Marc Deloof (University of Antwerp)

#### Crushed by a Rational Stampede: Strategic Share Dumping and Shareholder Insurrections

**Mukarram Attari (University of Wisconsin at Madison)**

Suman Banerjee (Tulane University)

Thomas H. Noe (Tulane University)

**Discussant:** Amir Rubin (University of British Columbia)

#### Votes Without Dividends: Managerial Control through Bank Trust Departments

**Renée B. Adams (Federal Reserve Bank of New York)**

Joao C. Santos (Federal Reserve Bank of New York)

**Discussant:** Susan Christoffersen (Mc Gill University)

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## Session 07 - Trading Options

Thursday, August 22, 08:30 - 10:00, Room G

Chairperson: Siegfried Trautmann (Johannes Gutenberg-Universität Mainz)

### Presentations

#### Equilibrium Open Interest

**Dietmar P. J. Leisen (Mc Gill University)**

Kenneth L. Judd (Stanford University)

**Discussant:** Siegfried Trautmann (Johannes Gutenberg-Universität Mainz)

#### Local Expected Shortfall-hedging

**Marco Schulmerich (Johannes Gutenberg-Universität Mainz)**

Siegfried Trautmann (Johannes Gutenberg-Universität Mainz)

**Discussant:** Kay Giesecke (Humboldt-Universität zu Berlin)

#### Sharpening Sharpe Ratios

**William N. Goetzmann (Yale University)**

Jonathan Ingersoll (Yale University)

Matthew Spiegel (Yale University)

Ivo Welch (Yale University)

**Discussant:** Elisa Luciano (Università di Torino)

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## Session 08 - Asset Pricing Theory

Thursday, August 22, 10:30 - 12:00, Room A

Chairperson: Hermann Göppl (Universität Fridericiana Karlsruhe)

### Presentations

#### Rational Asset Pricing Implications from Realistic Trading Frictions

**Jean-Pierre Zigrand (London School of Economics)**

**Discussant:** Peter L. Swan (University of New South Wales)

## Risk, Robustness and Knightian Uncertainty in Continuous Time, Heterogenous Agents, Financial Equilibria

**Fabio Trojani (University of Southern Switzerland)**

Paolo Vanini (University of Southern Switzerland)

**Discussant:** Umberto Cherubini (Università di Bologna)

## Stochastic Correlation and the Relative Pricing of Caps and Swaptions in a Generalized-affine Framework

**Pierre Collin-Dufresne (Carnegie Mellon University)**

Robert S. Goldstein (Ohio State University)

**Discussant:** Frank De Jong (University of Amsterdam)

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### Session 09 - Corporate Bonds

Thursday, August 22, 10:30 - 12:00, Room B

Chairperson: Ian Cooper (London Business School)

#### Presentations

##### The Jarrow/Turnbull Default Risk Model - Evidence from the German Market

**Leopold Sögner (Wirtschaftsuniversität Wien)**

Manfred Frühwirth (Wirtschaftsuniversität Wien)

**Discussant:** Terry Cheuk (University of Hong Kong)

##### Default Compensator, Incomplete Information, and the Term Structure of Credit Spreads

**Kay Giesecke (Humboldt-Universität zu Berlin)**

**Discussant:** Joost Driessen (University of Amsterdam)

##### Is Default Event Risk Priced in Corporate Bonds?

**Joost Driessen (University of Amsterdam)**

**Discussant:** Ilya A. Strebulaev (London Business School)

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### Session 10 - Regulating Financial Markets

Thursday, August 22, 10:30 - 12:00, Room C

Chairperson: Paul Bennett (New York Stock Exchange, Inc.)

#### Presentations

##### Cooperation in International Banking Supervision: A Political Economy Approach

**Cornelia Holthausen (Europäische Zentralbank)**

Thomas Roende (Universität Mannheim)

**Discussant:** Antje Brunner (Humboldt-Universität zu Berlin)

##### Who is Afraid of Reg FD? The Behavior and Performance of Sell-side Analysts Following the SEC's Fair Disclosure Rules

**Anup Agrawal (University of Alabama)**

Sahiba Chadha (University of Alabama)

**Discussant:** Richard Willis (Duke University)

##### Market Response to European Regulation of Business Combinations

**Nihat Aktas (Université Catholique de Louvain)**

Richard Roll (University of California - Los Angeles)

Eric de Bodt (Université Catholique de Louvain)

**Discussant:** Kuldeep Shastri (University of Pittsburgh)

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### Session 11 - Momentum Investing

Thursday, August 22, 10:30 - 12:00, Room D  
Chairperson: Peter Hecht (Harvard University)

### **Presentations**

#### **Momentum Investing and Business Cycle Risk: Evidence from Pole to Pole**

**Spencer Martin (Arizona State University)**  
**Discussant:** Stefan Nagel (London Business School)

#### **Momentum and Turnover: Evidence from the German Stock Market**

**Markus Glaser (Universität Mannheim)**  
Martin Weber (Universität Mannheim)  
**Discussant:** Roger Otten (Maastricht University)

#### **Do Countries or Industries Explain Momentum in Europe?**

**Marno Verbeek (Erasmus University Rotterdam)**  
Theo E. Nyman (Tilburg University)  
Laurens Swinkels (Tilburg University)  
**Discussant:** Jennifer Conrad (University of North Carolina at Chapel Hill)

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### **Session 12 - Symposium: Investment**

Thursday, August 22, 10:30 - 12:00, Room E  
Chairperson: Bruce Grundy (University of Melbourne)

### **Presentations**

#### **Tax Management Strategies with Multiple Risky Assets**

**Michael F. Gallmeyer (Carnegie Mellon University)**  
Ron Kaniel (University of Texas at Austin)  
Stathis Tompaidis (University of Texas at Austin)  
**Discussant:** Bruce Grundy (University of Melbourne)

#### **Portfolio Allocation Choices in Taxable and Tax-deferred Accounts: An Empirical Analysis of Tax Efficiency**

**Gene Amromin (University of Chicago)**  
**Discussant:** Richard Stapleton (University of Strathclyde)

#### **Some Evidence that a Tobin Tax on Foreign Exchange Transactions may Increase Volatility**

**Bhagwan Chowdhry (University of California - Los Angeles)**  
Robert Aliber (University of Chicago)  
Shu Yan (University of Arizona)  
**Discussant:** Ney O. Brito (Ney O. Brito & Associados and IAFEI - International Association of Finance Executive Institutes)

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### **Session 13 - Ownership Structure**

Thursday, August 22, 10:30 - 12:00, Room F  
Chairperson: Claudio F. Loderer (Universität Bern)

### **Presentations**

#### **Are Two Investors Better than One?**

**Peter Simmons (University of York)**  
Anna Maria C. Menichini (Università di Salerno)  
**Discussant:** Jun Qian (Boston College)

#### **Are European Corporations Fleecing Minority Shareholders? Results from a New Empirical Approach**

**Gilberto Loureiro (Universidade do Minho)**  
Jose Guedes (Universidade Catolica Portuguesa)  
**Discussant:** Claudio F. Loderer (Universität Bern)

### **Managerial Labour Market and Governance Role of Shareholder Control Structures in the UK**

**Grzegorz Trojanowski (Tilburg University)**  
Luc Renneboog (Tilburg University)  
**Discussant:** Lixin Colin Xu (The World Bank)

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### **Session 14 - Econometrics of Financial Markets**

Thursday, August 22, 10:30 - 12:00, Room G  
Chairperson: Theo E. Nyman (Tilburg University)

#### **Presentations**

#### **Stochastic Volatility and Seasonality in Commodity Futures and Options: The Case of Soybeans**

**Carsten Sorensen (Copenhagen Business School)**  
Martin Christian Richter (Copenhagen Business School)  
**Discussant:** Pradeep K. Yadav (University of Strathclyde)

#### **Stochastic Volatility for Lévy Processes**

**Hélyette Geman (Université Paris IX Dauphine & ESSEC)**  
Peter Carr (Bank of America Securities)  
Dilip B. Madan (University of Maryland)  
Marc Yor (Université Paris VI)  
**Discussant:** Robert Tompkins (Technische Universität Wien)

#### **Modelling Extreme-value Dependence in International Stock Markets**

**Ser-Huang Poon (University of Strathclyde)**  
Michael Rockinger (HEC School of Management)  
Jonathan Tawn (Lancaster University)  
**Discussant:** Stefan R. Jaschke (Weierstraß-Institut für Angewandte Analysis und Stochastik)

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### **Session 15 - Mutual Funds**

Thursday, August 22, 15:00 - 16:00, Room A  
Chairperson: Roger Otten (Maastricht University)

#### **Presentations**

#### **Governance and Boards of Directors in Closed-end Investment Companies**

**Larry Dann (University of Oregon)**  
M. Megan Partch (University of Oregon)  
Diane Del Guercio (University of Oregon)  
**Discussant:** Gordon Gemmill (City University Business School)

#### **Investor Sentiment in Japanese and U.S. Daily Mutual Fund Flows**

**Masahiro Watanabe (Yale University)**  
William N. Goetzmann (Yale University)  
Stephen Brown (New York University)  
Takato Hiraki (International University of Japan)  
Noriyoshi Shiraishi (Rikkyo University)  
**Discussant:** Marno Verbeek (Erasmus University Rotterdam)

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### **Session 16 - Sovereign Debt Markets**

Thursday, August 22, 15:00 - 16:00, Room B

Chairperson: Richard Stehle (Humboldt-Universität zu Berlin)

#### **Presentations**

##### **Competition and Intervention in Sovereign Debt Markets**

**Stanley E. Zin (Carnegie Mellon University)**

Bernhard Paasche (International Monetary Fund)

**Discussant:** Franz Hubert (Humboldt-Universität zu Berlin)

##### **Expropriation Risk and Return in Global Equity Markets**

**Magnus Dahlquist (Duke University and Centre for Economic Policy Research)**

Ravi Bansal (Duke University)

**Discussant:** Richard Stehle (Humboldt-Universität zu Berlin)

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#### **Session 17 - Finance and Accounting**

Thursday, August 22, 15:00 - 16:00, Room C

Chairperson: Anup Agrawal (University of Alabama)

#### **Presentations**

##### **The World Price of Earnings Opacity**

**Hazem Daouk (Cornell University)**

Utpal Bhattacharya (Indiana University)

**Discussant:** Ronald E. Shrieves (University of Tennessee)

##### **Quality of Information and Volatility Around Earnings Announcements**

**Suleiman R. Mohamed (The Institute of Finance Management, Dar es Salaam)**

Pradeep K. Yadav (University of Strathclyde)

**Discussant:** Hazem Daouk (Cornell University)

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#### **Session 18 - Insider Trading**

Thursday, August 22, 15:00 - 16:00, Room D

Chairperson: Marshall Sarnat (The Israeli Center for Academic Studies)

#### **Presentations**

##### **Insider Trading and Corporate Control Structures: Evidence from The U.K.**

**Jana P. Fídrnucová (Tilburg University)**

Luc Renneboog (Tilburg University)

**Discussant:** Arturo Bris (Yale University)

##### **Market Timing and Managerial Portfolio Decisions**

**Dirk C. Jenter (MIT Sloan School of Management)**

**Discussant:** Viral V. Acharya (London Business School)

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#### **Session 19 - Symposium: Options and Valuation**

Thursday, August 22, 15:00 - 16:00, Room E

Chairperson: Simon Benninga (Tel Aviv University)

#### **Presentations**

##### **On Valuation Before and After Tax in No Arbitrage Models: Tax Neutrality in the Discrete Time Model**

**Bjarne Astrup Jensen (Copenhagen Business School)**

**Discussant:** Robert McDonald (Northwestern University)

### **The Tax (Dis)Advantage of a Firm Issuing Options on Its Own Stock**

**Robert McDonald (Northwestern University)**

**Discussant:** Simon Benninga (Tel Aviv University)

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### **Session 20 - Mergers & Acquisitions**

Thursday, August 22, 15:00 - 16:00, Room F

Chairperson: Erik Stafford (Harvard University)

#### **Presentations**

#### **Bank Mergers, Competition and Liquidity**

**Philipp Hartmann (Europäische Zentralbank)**

Giancarlo Spagnolo (Universität Mannheim)

Elena Carletti (Universität Mannheim)

**Discussant:** Juergen Weigand (WHU Otto-Beisheim-Hochschule Koblenz)

#### **Shareholder Wealth Effects in the Cross-Border Market for Corporate Control**

**Ajay Patel (Wake Forest University)**

David R. Kuipers (Texas Tech University)

Darius Miller (Indiana University)

**Discussant:** Lawrence Goldberg (University of Miami)

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### **Session 21 - Real Options/Hedging**

Thursday, August 22, 15:00 - 16:00, Room G

Chairperson: Cynthia Van Hulle (Katholieke Universiteit Leuven)

#### **Presentations**

#### **Why Firms Use Non-linear Hedging Strategies**

**Tim Adam (Hong Kong University of Science & Technology)**

**Discussant:** Andrea Gamba (Università di Verona)

#### **Real Options Valuation: A Monte Carlo Approach**

**Andrea Gamba (Università di Verona)**

**Discussant:** Grzegorz Pawlina (Tilburg University)

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### **Session 22 - Empirical Asset Pricing**

Thursday, August 22, 16:30 - 18:00, Room A

Chairperson: Richard Stapleton (University of Strathclyde)

#### **Presentations**

#### **Output and Expected Returns - A Multicountry Study**

**Jesper Rangvid (Copenhagen Business School)**

**Discussant:** Christian T. Lundblad (Indiana University)

#### **Investors' Activity and Trading Behavior**

**Petri Kyröläinen (University of Oulu)**

Jukka Perttunen (University of Oulu)

**Discussant:** Ning Gong (University of Melbourne)

## **Do Macroeconomic Announcements Cause Asymmetric Volatility?**

**Peter De Goeij (Katholieke Universiteit Leuven)**

Wessel Marquering (Erasmus University Rotterdam)

**Discussant:** Charlotte Christiansen (Aarhus School of Business)

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### **Session 23 - Leverage & Design of Debt**

Thursday, August 22, 16:30 - 18:00, Room B

Chairperson: Turki Alshimmiri (Kuwait University)

#### **Presentations**

#### **Is Debt Maturity Determined by Asymmetric Information about Short-term or Long-term Earnings?**

**Petra Danisevska (Erasmus University)**

**Discussant:** Cesário Mateus (Aarhus School of Business)

#### **The Role of Target Leverage in Security Issues and Repurchases**

**Armen Hovakimian (Baruch College)**

**Discussant:** Petra Danisevska (Erasmus University)

#### **Contingent Control Rights and Managerial Incentives: The Design of Long-term Debt**

**Zsuzsanna Fluck (Michigan State University)**

**Discussant:** Yrjö Koskinen (Stockholm School of Economics)

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### **Session 24 - Bank Loans**

Thursday, August 22, 16:30 - 18:00, Room C

Chairperson: Reint E. Gropp (Europäische Zentralbank)

#### **Presentations**

#### **Agency Costs, Bank Specialness and Renegotiation**

**Sreedhar T. Bharath (New York University)**

**Discussant:** Andreas Pfingsten (Westfälische Wilhelms-Universität Münster)

#### **Lazy Entrepreneurs or Dominant Banks? An Empirical Analysis of the Market for SME Loans in the UK**

**Robert Cressy (City University of London)**

Otto Toivanen (Helsinki School of Economics)

**Discussant:** Cesare Robotti (Federal Reserve Bank of Atlanta)

#### **The Effects of Focus and Diversification on Bank Risk and Return: Evidence from Individual Bank Loan Portfolios**

**Viral V. Acharya (London Business School)**

Anthony Saunders (New York University)

Iftekhar Hasan (New Jersey Institute of Technology)

**Discussant:** Reint E. Gropp (Europäische Zentralbank)

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### **Session 25 - Behavioral Finance**

Thursday, August 22, 16:30 - 18:00, Room D

Chairperson: Markku Vieru (University of Oulu)

#### **Presentations**

#### **The Reach of the Disposition Effect: Large Sample Evidence Across Investor Classes**

**Raymond R. da Silva Rosa (University of Western Australia)**

Terry Walter (University of New South Wales)  
Philip Brown (University of Western Australia)  
Nick Chappel (University of Sydney)

**Discussant:** Robert Bartels (University of Sydney)

### **Dying Out or Dying Hard? Disposition Investors in Stock Markets**

**Andreas Oehler (Universität Bamberg)**

Klaus Heilmann (Universität Bamberg)

Volker Laeger (Universität Bamberg)

Michael Oberländer (Universität Bamberg)

**Discussant:** Markus Glaser (Universität Mannheim)

### **Disappointment, Pessimism and the Equity Risk Premia**

**Nicolas Nalpas (HEC Montréal)**

Thierry Chauveau (Université Paris I Panthéon-Sorbonne)

**Discussant:** Jean-Pierre Zigrand (London School of Economics)

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## **Session 26 - Modelling Stock Returns**

Thursday, August 22, 16:30 - 18:00, Room E

Chairperson: Philipp Hartmann (Europäische Zentralbank)

### **Presentations**

#### **Downside Correlation and Expected Stock Returns**

**Joseph Chen (University of Southern California)**

Andrew Ang (Columbia University and NBER)

Yuhang Xing (Columbia University)

**Discussant:** Lubos Pastor (University of Chicago)

#### **Bankruptcy Happens: A Study of the Mechanics of Distress-driven CAPM Anomalies**

**Carlos A. Mello-e-Souza (Seattle University)**

**Discussant:** Frans De Roon (Tilburg University)

### **Market Integration and Contagion**

**Geert Bekaert (Columbia University)**

Angela Ng (Hong Kong University of Science & Technology)

Campbell R. Harvey (Duke University)

**Discussant:** Joseph Chen (University of Southern California)

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## **Session 27 - Capital Structure**

Thursday, August 22, 16:30 - 18:00, Room F

Chairperson: Josef Zechner (Universität Wien)

### **Presentations**

#### **Repeated Dilution of Diffusely Held Debt**

**Ulrich Hege (HEC School of Management)**

Pierre Mella-Barral (London Business School)

**Discussant:** Christian Riis Flor (University of Southern Denmark)

#### **Legal Environment, Capital Structure and Firm Growth. International Evidence from Industry Data**

**Natalia Utrero Gonzalez (Universidad Carlos III)**

**Discussant:** Radislav Semenov (University of Nijmegen)

#### **Limited Liability Rules, Financial Innovation and Capital Structure Complexity**

**Michel Robe (American University)**

**Discussant:** Ernst Maug (Humboldt-Universität zu Berlin)

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### **Session 28 - Market Efficiency**

Friday, August 23, 08:30 - 10:00, Room A

Chairperson: Elroy Dimson (London Business School)

#### **Presentations**

##### **Testing Weak-form Efficiency of the Russian Stock Market**

**Natalja V. Abrosimova (University of Cambridge)**

Dirk Linowski (University of Nijmegen)

**Discussant:** Peter Hecht (Harvard University)

##### **Does Risk or Mispricing Explain the Cross-section of Stock Prices?**

**Tuomo Vuolteenaho (Harvard University)**

Randolph Cohen (Harvard University)

Christopher Polk (Northwestern University)

**Discussant:** Thierry Post (Erasmus University)

##### **Behavior and Performance of Investment Newsletters Analysts**

**Vicente Pons (Yale School of Management)**

Alok Kumar (Cornell University)

**Discussant:** Raghavendra P. Rau (Purdue University)

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### **Session 29 - Hedging**

Friday, August 23, 08:30 - 10:00, Room B

Chairperson: Carsten Sorensen (Copenhagen Business School)

#### **Presentations**

##### **Hedging Non-tradable Risk with Instantaneous Forward Contracts**

**Rafal Wojakowski (Lancaster University)**

**Discussant:** Antje Dudenhausen (Universität Bonn)

##### **Hedging with Forwards and Puts in Complete and Incomplete Markets**

**Casper Oosterhof (University of Groningen)**

Simon Benninga (Tel Aviv University)

**Discussant:** Rafal Wojakowski (Lancaster University)

##### **Effectiveness of Hedging Strategies under Model Misspecification and Trading Restrictions**

**Antje Dudenhausen (Universität Bonn)**

**Discussant:** Marco Schulmerich (Johannes Gutenberg-Universität Mainz)

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### **Session 30 - International Asset Pricing**

Friday, August 23, 08:30 - 10:00, Room C

Chairperson: Ney O. Brito (Ney O. Brito & Associados and IAFEI - International Association of Finance Executive Institutes)

#### **Presentations**

##### **Asymmetry of Information in Emerging Markets: Should a Firm Issue Its Securities Locally or Abroad?**

**Nuno C. Martins (Universidade Nova de Lisboa and Bank of Portugal)**

**Discussant:** Peter Groznik (Indiana University)

## **On the Strength of the US Dollar: Can it Be Explained by Output Growth?**

**Peter Vlaar (De Nederlandsche Bank)**

**Discussant:** Juha Junntila (University of Oulu)

## **An Evaluation of International Asset Pricing Models**

**Magnus Dahlquist (Duke University and Centre for Economic Policy Research)**

Torbjörn Sällström (Stockholm School of Economics)

**Discussant:** Ian Cooper (London Business School)

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## **Session 31 - Venture Capital Contracts**

Friday, August 23, 08:30 - 10:00, Room D

Chairperson: Robert Hansen (Tulane University)

### **Presentations**

#### **On the Strategic Use of Corporate Venture Financing for Securing Demand**

**Armin Schwienbacher (Université de Namur)**

Yohannes E. Riyanto (National University of Singapore)

**Discussant:** Ronen Israel (The Interdisciplinary Center Herzliya)

#### **Start-up Financing: Banks vs. Venture Capital**

**Augustin Landier (University of Chicago)**

**Discussant:** Hans Hvide (NHH)

#### **The Effect of Capital Market Characteristics on the Value of Start-up Firms**

**Roman Inderst (London School of Economics)**

Holger Müller (New York University)

**Discussant:** Frank Niemeyer (Universität Bonn)

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## **Session 32 - Symposium: Public Finance**

Friday, August 23, 08:30 - 10:00, Room E

Chairperson: Bjarne Astrup Jensen (Copenhagen Business School)

### **Presentations**

#### **Interjurisdictional Company Taxation in Europe, the German Reform and the New EU Suggested Direction**

**Marcel Gérard (Facultés Universitaires Catholiques de Mons FUCaM)**

**Discussant:** Bjarne Astrup Jensen (Copenhagen Business School)

#### **Classical Corporation Tax as a Global Means of Tax Harmonization**

**Jouko Ylä-Liedenpohja (University of Tampere)**

Seppo Kari (Government Institute for Economic Research)

**Discussant:** Marcel Gérard (Facultés Universitaires Catholiques de Mons FUCaM)

#### **Start-ups, Venture Capitalists, and the Capital Gains Tax**

**Soren Bo Nielsen (Copenhagen Business School)**

Christian Keuschnigg (University of St. Gallen)

**Discussant:** Jouko Ylä-Liedenpohja (University of Tampere)

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## **Session 33 - Market Microstructure**

Friday, August 23, 08:30 - 10:00, Room F

Chairperson: Duane Seppi (Carnegie Mellon University)

## Presentations

### Market Quality and Trader Behavior in a Manipulated Market: Anatomy of a Squeeze

**John Merrick (Baruch College)**

Narayan Y. Naik (London Business School)

Pradeep K. Yadav (University of Strathclyde)

**Discussant:** Craig Pirrong (Oklahoma State University)

### Dealer Behaviour and Market Quality when Insiders Trade

**David Hillier (University of Strathclyde)**

Narayan Y. Naik (London Business School)

Pradeep K. Yadav (University of Strathclyde)

**Discussant:** Ian Tonks (University of Bristol)

### Institutional Trading Costs and Alternative Trading Systems

**Jennifer Conrad (University of North Carolina at Chapel Hill)**

Kevin M. Johnson (Aronson+Partners)

Sunil Wahal (Emory University)

**Discussant:** Oliver Hansch (Penn State University)

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## Session 34 - Asset Pricing with Heterogeneous Beliefs

Friday, August 23, 10:30 - 12:00, Room A

Chairperson: Christian Wolff (Maastricht University)

### Presentations

#### Is Learning a Dimension of Risk?

**Andrei Simonov (Stockholm School of Economics)**

Massimo Massa (INSEAD)

**Discussant:** Piet Sercu (Katholieke Universiteit Leuven)

#### Stock Market Fundamentals and Heterogeneity of Beliefs: Tests Based on a Decomposition of Returns and Volatility

**Jennifer L. Juergens (Arizona State University)**

Eric Ghysels (University of North Carolina at Chapel Hill)

**Discussant:** Günter Franke (Universität Konstanz)

### Information and the Cost of Capital

**Maureen O'Hara (Cornell University)**

David Easley (Cornell University)

**Discussant:** Karl Ludwig Keiber (WHU Otto-Beisheim-Hochschule Koblenz)

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## Session 35 - Risk Management

Friday, August 23, 10:30 - 12:00, Room B

Chairperson: Rajna Gibson (Universität Zürich)

### Presentations

#### An Empirical Investigation of the Rank Correlation Between Different Risk Measures

**Carsten Hahn (Westfälische Wilhelms-Universität Münster)**

Andreas Pfingsten (Westfälische Wilhelms-Universität Münster)

Peter Wagner (Westfälische Wilhelms-Universität Münster)

**Discussant:** Ser-Huang Poon (University of Strathclyde)

#### Risk Management for Derivatives in Illiquid Markets: A Simulation Study

**Rüdiger Frey (Universität Leipzig)**

Pierre Patie (ETH Zürich)

**Discussant:** Nicole Branger (Johann Wolfgang Goethe-Universität Frankfurt/M.)

#### **Asset Price Dynamics with Value-at-Risk Constrained Traders**

**Jón Danielsson (London School of Economics)**

Jean-Pierre Zigrand (London School of Economics)

Hyun Song Shin (London School of Economics)

**Discussant:** Siegfried Trautmann (Johannes Gutenberg-Universität Mainz)

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#### **Session 36 - International Stock Markets**

Friday, August 23, 10:30 - 12:00, Room C

Chairperson: Marti Subrahmanyam (New York University)

##### **Presentations**

#### **The Price of Inflation and Foreign Exchange Risk in International Equity Markets**

**Cesare Robotti (Federal Reserve Bank of Atlanta)**

**Discussant:** Bruno Gerard (Norwegian School of Management)

#### **Cross-country Differences in Stock Market Development: A Cultural View**

**Eelke de Jong (University of Nijmegen)**

Radislav Semenov (University of Nijmegen)

**Discussant:** Astrid Eisenberg (WHU Otto-Beisheim-Hochschule Koblenz)

#### **Characterizing Asymmetric Information in International Equity Markets**

**Gregory H. Bauer (University of Rochester)**

Rui A. Albuquerque (University of Rochester)

Martin Schneider (University of California)

**Discussant:** Gaston Gelos (International Monetary Fund)

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#### **Session 37 - Equity Offerings**

Friday, August 23, 10:30 - 12:00, Room D

Chairperson: Yrjö Koskinen (Stockholm School of Economics)

##### **Presentations**

#### **Price Support by Underwriters in Initial and Seasoned Public Offerings**

**Ekkehart Boehmer (New York Stock Exchange, Inc.)**

Raymond Fishe (University of Miami)

**Discussant:** Robert Hansen (Tulane University)

#### **Aftermarket Short Covering and the Pricing of IPOs**

**Andreas Park (University of Cambridge)**

Björn Bartling (Ludwig-Maximilian-Universität München)

**Discussant:** Nuno C. Martins (Universidade Nova de Lisboa and Bank of Portugal)

#### **Discounting and Underpricing in Seasoned Equity Offers**

**Robert Hansen (Tulane University)**

Oya Altinkilic (University of Pittsburgh)

**Discussant:** Christoph Kaserer (Technische Universität München)

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#### **Session 38 - Symposium: Dividend Policy**

Friday, August 23, 10:30 - 12:00, Room E

Chairperson: Kristian Rydqvist (Binghamton University)

## Presentations

### Dividend Policy Inside the Firm

**Mihir Desai (Harvard University)**

C. Fritz Foley (National Bureau of Economic Research)

James R. Hines (National Bureau of Economic Research)

**Discussant:** Efrat Tolkowsky (Technion - Israel Institute of Technology)

### Tax Policy Changes and Ex-dividend Behavior: The Case of Sweden

**Sven-Olov Daunfeldt (Umea University)**

**Discussant:** Kristian Rydqvist (Binghamton University)

### The Market for Record-date Ownership

**Susan Christoffersen (Mc Gill University)**

Christopher Geczy (University of Pennsylvania)

David Musto (University of Pennsylvania)

Adam V. Reed (University of North Carolina)

**Discussant:** Jan Felix Meschke (Arizona State University)

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## Session 39 - Empirical Market Microstructure

Friday, August 23, 10:30 - 12:00, Room F

Chairperson: Cornelia Holthausen (Europäische Zentralbank)

## Presentations

### Price Impact Costs and the Limit of Arbitrage

**Masahiro Watanabe (Yale University)**

Werner Stanzl (Yale University)

Zhiwu Chen (Yale University)

**Discussant:** Frank De Jong (University of Amsterdam)

### Do Dealer Firms Manage Inventory on a Stock-by-stock or a Portfolio Basis?

**Pradeep K. Yadav (University of Strathclyde)**

Narayan Y. Naik (London Business School)

**Discussant:** Avi Wohl (Tel Aviv University)

### Towards Deep and Liquid Markets: Lessons from the Open and Close at the London Stock Exchange

**Ian Tonks (University of Bristol)**

Andrew Ellul (Indiana University)

Hyun Song Shin (London School of Economics)

**Discussant:** Patrik Sandås (University of Pennsylvania)

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## Session 40 - Fund Management

Friday, August 23, 14:30 - 16:00, Room A

Chairperson: Lorian Pelizzon (London Business School and Università di Padova)

## Presentations

### Risk Management with Benchmarking

**Lucie Teplá (INSEAD)**

Suleyman Basak (London Business School)

Alex Shapiro (New York University)

**Discussant:** Juan-Pedro Gómez López (Norwegian School of Management)

## **Optimal Contracts for Teams of Money Managers**

**Pegaret Pichler (Boston College)**

**Discussant:** Renée B. Adams (Federal Reserve Bank of New York)

## **International Portfolio Diversification: Industry, Country, and Currency Effects Revisited**

**Frans De Roon (Tilburg University)**

Bruno Gerard (Norwegian School of Management)

Pierre Hillion (INSEAD)

**Discussant:** Peter C. Schotman (Maastricht University)

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## **Session 41 - Options**

Friday, August 23, 14:30 - 16:00, Room B

Chairperson: Ton Vorst (Erasmus University Rotterdam and ABN Amro)

### **Presentations**

#### **Pricing Vulnerable Options with Copulas**

**Elisa Luciano (Università di Torino)**

Umberto Cherubini (Università di Bologna)

**Discussant:** Eric Benhamou (Goldman Sachs International)

#### **Non-redundant Options in a Dynamic General Equilibrium Economy**

**Harjoat Bhamra (London Business School)**

Raman Uppal (London Business School)

Leonid Kogan (MIT)

**Discussant:** Gianluca Cassese (Università Commerciale "Luigi Bocconi")

#### **Option-implied Risk Aversion Estimates: Robustness and Patterns**

**Robert Bliss (Federal Reserve Bank of Chicago)**

Nikolaos Panigirtzoglou (Bank of England)

**Discussant:** Stephen J. Taylor (Lancaster University)

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## **Session 42 - Stock Markets and the Macroeconomy**

Friday, August 23, 14:30 - 16:00, Room C

Chairperson: George M. von Furstenberg (Fordham University)

### **Presentations**

#### **Idiosyncratic Consumption Risk and the Cross-section of Asset Returns**

**Kris Jacobs (McGill University)**

Kevin Q. Wang (University of Toronto)

**Discussant:** Yuming Li (City University of Hong Kong)

#### **Consumption Habit and International Stock Returns**

**Yuming Li (City University of Hong Kong)**

Maosen Zhong (University of Texas at Brownsville)

**Discussant:** Jesper Rangvid (Copenhagen Business School)

#### **Growth Volatility and Equity Market Liberalization**

**Christian T. Lundblad (Indiana University)**

Geert Bekaert (Columbia University)

Campbell R. Harvey (Duke University)

**Discussant:** Gaston Gelos (International Monetary Fund)

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### **Session 43 - Structuring IPOs**

Friday, August 23, 14:30 - 16:00, Room D

Chairperson: Ruud van Frederikslust (Erasmus University Rotterdam)

#### **Presentations**

##### **Are Initial Return and IPO Discount the Same Thing? A Comparison of Direct Public Offerings and Underwritten IPOs**

**Tai Ma (National Sun Yat-sen University)**

Pei Ru Tsai (National Sun Yat-sen University)

**Discussant:** Francois Derrien (University of Toronto)

##### **Issuers, Underwriters and Institutional Investors: Why They All Like the Book-building IPO Procedure**

**Francois Derrien (University of Toronto)**

**Discussant:** Alexander Stomper (Universität Wien)

##### **Structuring the IPO: Empirical Evidence on the Primary and Secondary Portion**

**Cynthia Van Hulle (Katholieke Universiteit Leuven)**

Nancy Huyghebaert (Katholieke Universiteit Leuven)

**Discussant:** Wolfgang Aussenegg (Technische Universität Wien)

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### **Session 44 - Conglomerates**

Friday, August 23, 14:30 - 16:00, Room E

Chairperson: Marno Verbeek (Erasmus University Rotterdam)

#### **Presentations**

##### **Diversification Discount or Premium? New Evidence from BITS Establishment-level Data**

**Belén Villalonga (Harvard University)**

**Discussant:** Armen Hovakimian (Baruch College)

##### **Return Sensitivity to Industry Shocks: Evidence on the (In-)Efficient Use of Internal Capital Markets**

**Joao F. Cocco (London Business School)**

Jan Mahrt-Smith (London Business School)

**Discussant:** Martin Holmen (Uppsala Universitet)

##### **Incentives in Internal Capital Markets: Capital Constraints, Competition, and Investment Opportunities**

**Christian Laux (London School of Economics)**

Roman Inderst (London School of Economics)

**Discussant:** Mihir Desai (Harvard University)

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### **Session 45 - Market Efficiency and Microstructure**

Friday, August 23, 14:30 - 16:00, Room F

Chairperson: Marco Pagano (Università di Salerno)

#### **Presentations**

##### **Use of Different Trading Environments Around Interim Earnings Announcements on the Helsinki Stock Exchange**

**Markku Vieru (University of Oulu)**

**Discussant:** Christophe Bisière (University of Perpignan)

##### **Investor Awareness and Market Segmentation: Evidence from S&P; 500 Index Changes**

**Gregory Noronha (Arizona State University West)**

Honghui Chen (University of Baltimore)

Vijay Singal (Virginia Polytechnic Inst. & State Univ.)

**Discussant:** Ingolf Dittmann (Humboldt-Universität zu Berlin)

### **Imperfect Competition in Financial Markets: ISLAND vs. NASDAQ**

**Christophe Bisière (University of Perpignan)**

Bruno Biais (Université de Toulouse)

Chester Spatt (Carnegie Mellon University)

**Discussant:** Gregory Noronha (Arizona State University West)

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### **Session 46 - Asset Allocation**

Friday, August 23, 16:30 - 18:00, Room A

Chairperson: Lawrence Goldberg (University of Miami)

#### **Presentations**

#### **Portfolio Efficiency and Discount Factor Bounds with Conditioning Information: A Unified Approach**

**Alexander Stremme (University of Warwick)**

Abhay Abhyankar (University of Warwick)

Devraj Basu (University of Warwick)

**Discussant:** Alessandro Sbuelz (Tilburg University)

#### **Model Misspecification and Under-diversification**

**Raman Uppal (London Business School)**

Tan Wang (University of British Columbia)

**Discussant:** David Feldman (Ben-Gurion University of the Negev)

#### **Long Term Portfolio Strategy Given Uncertain Personal Savings**

**Richard Stapleton (University of Strathclyde)**

Günter Franke (Universität Konstanz)

Sandra Peterson (University of Strathclyde)

**Discussant:** Gene Amromin (University of Chicago)

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### **Session 47 - Energy Markets**

Friday, August 23, 16:30 - 18:00, Room B

Chairperson: John Parsons (Charles River Associates Inc.)

#### **Presentations**

#### **Exotics and Electrons: Electric Power Crises and Financial Risk Management**

**Suman Banerjee (Tulane University)**

Thomas H. Noe (Tulane University)

**Discussant:** Hélyette Geman (Université Paris IX Dauphine & ESSEC)

#### **The Price of Power: The Valuation of Power and Weather Derivatives**

**Craig Pirrong (Oklahoma State University)**

Martin Jermakyan (ElectraPartner.com)

**Discussant:** Thomas H. Noe (Tulane University)

#### **Modelling Electricity Prices: International Evidence**

**Pablo Villaplana (Universidad Carlos III de Madrid)**

Alvaro Escribano (Universidad Carlos III de Madrid)

Juan Ignacio Peña (Universidad Carlos III de Madrid)

**Discussant:** Cyriel De Jong (Erasmus University)

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## Session 48 - Emerging Markets

Friday, August 23, 16:30 - 18:00, Room C

Chairperson: Tom Berglund (Swedish School of Economics & Business Administration)

### Presentations

#### **Crony Lending in Thailand Before the Financial Crisis**

**Yupana Wiwattanakantang (Hitotsubashi University)**

Raja Kali (University of Arkansas)

Chutatong Charumilind (Cornell University)

**Discussant:** Olesya V. Grishchenko (New York University)

#### **Budget Constraints and Profitability: Evidence from a Transition Economy**

**Marian Rizov (Katholieke Universiteit Leuven)**

**Discussant:** Carlos A. Mello-e-Souza (Seattle University)

#### **What Drives Equity Returns in Central and Eastern Europe**

**Magdalena Sokalska (Warsaw School of Economics)**

**Discussant:** Dirk Linowski (University of Nijmegen)

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## Session 49 - IPO Pricing

Friday, August 23, 16:30 - 18:00, Room D

Chairperson: Maureen O'Hara (Cornell University)

### Presentations

#### **Mispricing in IPO Methods and the Predictive Ability of Investors' Interest for New Issues**

**Salim Chahine (Audencia-Nantes)**

**Discussant:** Vicente Pons (Yale School of Management)

#### **Who Knows What When? - The Information Content of Pre-IPO Market Prices**

**Gunter Löffler (Johann Wolfgang Goethe-Universität Frankfurt/M.)**

Erik Theissen (Universität Bonn)

Patrick F. Panther (Commerzbank AG)

**Discussant:** Carsten Kruppe (Humboldt-Universität zu Berlin)

#### **Sticky Prices: IPO Pricing on Nasdaq and the Neuer Markt**

**Alexander Stomper (Universität Wien)**

Wolfgang Aussenegg (Technische Universität Wien)

Pegaret Pichler (Boston College)

**Discussant:** Imre Kiss (Humboldt-Universität zu Berlin)

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## Session 50 - Internal Capital Markets

Friday, August 23, 16:30 - 18:00, Room E

Chairperson: Gabriella Chiesa (Università di Bologna)

### Presentations

#### **Allocation of Decision-making Authority**

**Milton Harris (University of Chicago)**

Artur Raviv (Northwestern University)

**Discussant:** Sudipto Dasgupta (Hong Kong University of Science & Technology)

#### **On the Value of Influence Activities: Is Lobbying in Internal Capital Markets Always Detrimental to the Firm?**

**Volker Laux (Johann Wolfgang Goethe-Universität Frankfurt/M.)**

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

### **Internal Capital Markets: The Insurance-contagion Trade-off**

**Ulrich Hege (HEC School of Management)**

Lorand Ambrus-Lakatos (Central European University)

**Discussant:** Belén Villalonga (Harvard University)

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### **Session 51 - Short Selling and Short Squeezes**

Friday, August 23, 16:30 - 18:00, Room F

Chairperson: Pradeep K. Yadav (University of Strathclyde)

#### **Presentations**

#### **An Examination of Heterogeneous Beliefs with a Short Sale Constraint**

**Michael F. Gallmeyer (Carnegie Mellon University)**

Burton Hollifield (Carnegie Mellon University)

**Discussant:** Marcel Rindisbacher (University of Toronto)

#### **Multiple Unit Auctions and Short Squeezes**

**Ilya A. Strebulaev (London Business School)**

Kjell G. Nyborg (London Business School)

**Discussant:** Björn Bartling (Ludwig-Maximilian-Universität München)

#### **The Effect of Index Option Initiation on Volatility in the Presence of Heterogeneous Beliefs and Short Sale Constraint**

**Amir Rubin (University of British Columbia)**

Alan Kraus (University of British Columbia)

**Discussant:** Benjamin Croitoru (McGill University)

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### **Session 52 - Agency Problems and Incentives**

Saturday, August 24, 08:30 - 10:00, Room A

Chairperson: Franz Hubert (Humboldt-Universität zu Berlin)

#### **Presentations**

#### **Managers, Workers, and Corporate Control**

**Paolo F. Volpin (London Business School)**

Marco Pagano (Università di Salerno)

**Discussant:** Sanjay Banerji (McGill University)

#### **The Choice of the Medium of Exchange in Acquisitions: A Direct Test of the Double-sided Asymmetric Information Hypothesis**

**Thomas Chemmanur (Boston College)**

Imants Paeglis (Concordia University)

**Discussant:** Micah Officer (University of Southern California)

#### **Agency Problems are Ameliorated by Stock Market Liquidity: Monitoring, Information and the Use of Stock-based Compensation**

**Peter L. Swan (University of New South Wales)**

Gerald Garvey (Claremont Graduate University)

**Discussant:** Gilberto Loureiro (Universidade do Minho)

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### **Session 53 - Volatility**

Saturday, August 24, 08:30 - 10:00, Room B

Chairperson: Randolph Cohen (Harvard University)

#### **Presentations**

##### **Measuring Private Information Trading in Emerging Markets**

**Olesya V. Grishchenko (New York University)**

Jianping Mei (New York University)

Lubomir P. Litov (New York University)

**Discussant:** Eva Liljeblom (Swedish School of Economics & Business Administration)

##### **Modelling the Implied Probability of Stock Market Declines**

**Martin Scheicher (Österreichische Nationalbank)**

Ernst Glatzer (Österreichische Nationalbank)

**Discussant:** Stefan Straetmans (Maastricht University)

##### **Forecasting Sterling/Dollar Volatility: Implied Volatilities versus Long Memory Intraday Models**

**Shiu-yan Pong (Lancaster University)**

Stephen J. Taylor (Lancaster University)

Mark Shackleton (Lancaster University)

Xinzhong Xu (Lancaster University)

**Discussant:** Theo E. Nyman (Tilburg University)

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#### **Session 54 - EMU and the Euro**

Saturday, August 24, 08:30 - 10:00, Room C

Chairperson: Ulrich Hege (HEC School of Management)

#### **Presentations**

##### **Bidding and Performance in Repo Auctions: Evidence from ECB Open Market Operations**

**Kjell G. Nyborg (London Business School)**

Ilya A. Strebulaev (London Business School)

Ulrich Bindseil (Europäische Zentralbank)

**Discussant:** Witold Rutkowski (Higher School of Economics and Arts in Skierniewice)

##### **The Impact of the Euro on Foreign Exchange Rate Risk Exposures**

**Söhnke M. Bartram (Lancaster University)**

Stefanie Kleimejer-Ros (Universiteit Maastricht)

Andrew Karolyi (Ohio State University)

**Discussant:** Pål E. Korsvold (Norwegian School of Management)

##### **Foreign Exchange Markets' Perceptions of EMU Participation by Finland, France, Italy, and Portugal**

**Bernd Wilfling (HWWA Hamburg)**

**Discussant:** Haakon O. Solheim (Norwegian School of Management)

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#### **Session 55 - Credit Markets**

Saturday, August 24, 08:30 - 10:00, Room D

Chairperson: Xavier Freixas (Universitat Pompeu Fabra)

#### **Presentations**

##### **Competition and Strategic Information Acquisition in Credit Markets**

**Robert Hauswald (University of Maryland)**

Robert Marquez (University of Maryland)

**Discussant:** Gabriella Chiesa (Università di Bologna)

## Multiple Lenders and Corporate Distress: Evidence on Debt Restructuring

**Antje Brunner (Humboldt-Universität zu Berlin)**

Jan Pieter Krahen (Johann Wolfgang Goethe-Universität Frankfurt/M.)

**Discussant:** Clas Wihlborg (Copenhagen Business School)

## The Optimal Concentration of Creditors

**Arturo Bris (Yale University)**

Ivo Welch (Yale University)

**Discussant:** Itzhak Swary (Tel Aviv University)

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## Session 56 - Corporate Finance

Saturday, August 24, 08:30 - 10:00, Room E

Chairperson: Frans Tempelaar (University of Groningen)

### Presentations

#### The Impact of Bankruptcy Rules on Risky Project Choice and Skill Formation under Credit Rationing

**Clas Wihlborg (Copenhagen Business School)**

Shubhashis Gangopadhyay (Indian Statistical Institute, Delhi Centre and SERFA)

**Discussant:** Eric de Bodt (Université Catholique de Louvain)

#### Financial Constraints and Investment-Cash Flow Sensitivity

**Zhangkai Huang (University of Oxford)**

**Discussant:** Urs Peyer (INSEAD)

#### Corporate Cash Holdings: An Empirical Investigation of UK Companies

**Aydin Ozkan (University of York)**

Neslihan Ozkan (University of Liverpool)

**Discussant:** Turki Alshimmiri (Kuwait University)

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## Session 57 - Trading Mechanisms

Saturday, August 24, 08:30 - 10:00, Room F

Chairperson: Piet Sercu (Katholieke Universiteit Leuven)

### Presentations

#### Transparency, Liquidity and Price Formation

**Barbara Rindi (Università Bocconi)**

**Discussant:** Alexander Guembel (University of Oxford)

#### The Information Content of the Demand and Supply Schedules of Stocks

**Avi Wohl (Tel Aviv University)**

Avner Kalay (Tel Aviv University)

**Discussant:** Masahiro Watanabe (Yale University)

#### Strategic Behavior and Underpricing in Uniform Price Auctions: Evidence from Finnish Treasury Auctions

**Kristian Rydqvist (Binghamton University)**

Matti Keloharju (Helsinki School of Economics)

Kjell G. Nyborg (London Business School)

**Discussant:** Alexei Gorjaev (Tilburg University)

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## Session 58 - Equity-based Compensation

Saturday, August 24, 10:30 - 12:00, Room A

Chairperson: Ernst Maug (Humboldt-Universität zu Berlin)

### **Presentations**

#### **Stock Based Compensation: Firm-specific Risk, Efficiency and Incentives**

**Vicky Henderson (University of Oxford)**

**Discussant:** Tom Berglund (Swedish School of Economics & Business Administration)

#### **The Equity Mix in Executive Compensation: An Investigation of Cross-country Differences**

**Ajay Patel (Wake Forest University)**

Robert Nash (Wake Forest University)

Stephen Bryan (Wake Forest University)

**Discussant:** Sahiba Chadha (University of Alabama)

#### **Earnings Management and Executive Compensation: A Case of Overdose of Option and Underdose of Salary?**

**Ronald E. Shrieves (University of Tennessee)**

Pengjie Gao (University of Tennessee)

**Discussant:** Levon Babalyan (University of Fribourg)

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### **Session 59 - Estimating Densities**

Saturday, August 24, 10:30 - 12:00, Room B

Chairperson: Philipp Schönbucher (Universität Bonn)

### **Presentations**

#### **The Relation Between Implied and Realised Probability Density Functions**

**Robert Tompkins (Technische Universität Wien)**

Iliana Anagnou (University of Warwick)

Mascia Bedendo (University of Warwick)

Stewart Hodges (University of Warwick)

**Discussant:** Martin Mandler (Justus-Liebig-Universität Gießen)

#### **Comparing Risk-neutral Probability Density Functions Implied by Option Prices - Market Uncertainty and ECB-council Meetings**

**Martin Mandler (Justus-Liebig-Universität Gießen)**

**Discussant:** Matthias R. Fengler (Humboldt-Universität zu Berlin)

#### **Nonparametric Specification Testing for Continuous-time Models with Application to Spot Interest Rates**

**Yongmiao Hong (Cornell University)**

Haitao Li (Cornell University)

**Discussant:** Martin Christian Richter (Copenhagen Business School)

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### **Session 60 - Exchange Rates**

Saturday, August 24, 10:30 - 12:00, Room C

Chairperson: Pål E. Korsvold (Norwegian School of Management)

### **Presentations**

#### **U.S. Exchange Rates and Currency Flows**

**Dagfinn Rime (Norges Bank and Stockholm Institute for Financial Research)**

**Discussant:** Bernd Wilfling (HWWA Hamburg)

#### **Linear and Nonlinear Exchange Rate Exposure and the Price of Exchange Rate Risk**

**Bernt Arne Odegaard (Norwegian School of Management)**

Richard Priestley (Norwegian School of Management)

**Discussant:** Söhnke M. Bartram (Lancaster University)

### **A Dynamic Equilibrium Model of Real Exchange Rates with General Transaction Costs**

**Milind Shrikhande (Georgia State University)**

Gautam Goswami (Fordham University)

Liuren Wu (Fordham University)

**Discussant:** Jaime Casassus (Carnegie Mellon University and Pontificia Universidad Catolica de Chile)

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### **Session 61 - Credit Risk**

Saturday, August 24, 10:30 - 12:00, Room D

Chairperson: Wolfgang Bühler (Universität Mannheim)

#### **Presentations**

### **Structural Models of Corporate Bond Pricing: An Empirical Analysis**

**Jing-zhi Huang (Penn State University)**

Jean Helwege (Ohio State University)

Young Ho Eom (Yonsei University)

**Discussant:** Lars-Alexander Kühn (Humboldt-Universität zu Berlin)

### **An Empirical Comparison of Default Swap Pricing Models**

**Patrick Houweling (Erasmus University Rotterdam and Rabobank International)**

Ton Vorst (Erasmus University Rotterdam and ABN Amro)

**Discussant:** John Parsons (Charles River Associates Inc.)

### **Credit Risk Orderings Implicit in Ratings and Bond Market Yields**

**Alex P. Taylor (University of Cambridge)**

William Perraudin (University of London)

**Discussant:** Giuseppe Alesii (Università dell'Aquila)

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### **Session 62 - Corporate Finance and Product Markets**

Saturday, August 24, 10:30 - 12:00, Room E

Chairperson: Kjell G. Nyborg (London Business School)

#### **Presentations**

### **Manipulation, the Allocational Role of Prices and Production Externalities**

**Alexander Guembel (University of Oxford)**

Itay Goldstein (Duke University)

**Discussant:** Robert Hauswald (University of Maryland)

### **Strategic Choices of Capital Structure in Oligopolies: Theory and Evidence**

**Evgeny Lyandres (University of Rochester)**

**Discussant:** Josep A. Tribó (Universidad Carlos III de Madrid)

### **Real Options in an Asymmetric Duopoly: Who Benefits from Your Competitive Disadvantage?**

**Grzegorz Pawlina (Tilburg University)**

Peter M. Kort (Tilburg University)

**Discussant:** Mark Shackleton (Lancaster University)

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### **Session 63 - Liquidity**

Saturday, August 24, 10:30 - 12:00, Room F

Chairperson: Patrik Sandås (University of Pennsylvania)

## Presentations

### Model Uncertainty and Liquidity

**Stanley E. Zin (Carnegie Mellon University)**

Bryan Routledge (Carnegie Mellon University)

**Discussant:** Jianping Mei (New York University)

### The Price of Future Liquidity: Time-varying Liquidity in the U.S. Treasury Market

**Bernd Hanke (London Business School)**

David Goldreich (London Business School)

Purnendu Nath (London Business School)

**Discussant:** John Merrick (Baruch College)

### An Empirical Analysis of Stock and Bond Market Liquidity

**Asani Sarkar (Federal Reserve Bank of New York)**

Tarun Chordia (Emory University)

Avanidhar Subrahmanyam (University of California - Los Angeles)

**Discussant:** Bryan Routledge (Carnegie Mellon University)