

FINAL PROGRAMME

European
Finance
Association
25-28 August 2010
37th Annual Meeting
Frankfurt am Main
Germany



European Finance Association

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IMPRINT

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Prof. Dr. Jan Pieter Krahen
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AUTHOR AND EDITOR

Sabine Kimmel
Zoe Tsesmelidakis

DESIGN

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Dear Colleagues and Guests,

a cordial welcome to Frankfurt's Goethe University and its House of Finance. This year's annual meeting of the European Finance Association is the 37th convention, the 3rd being held in Germany, after Bad Homburg in 1979 and Berlin in 2000.

The EFA Annual Meeting will take place on the Campus Westend premises – a new complex of fine buildings next to the historical (and landmark) IG Farben headquarter, built by architect Hans Poelzig in the late 1920s.

Thanks to the work of a devoted Program Committee, the academic turn-out of the conference is likely to be high-level – well in line with the aspirations of the European Finance Association's Executive Committee. To ensure an outstanding academic event, a selective list of 350 referees from all major universities in Europe and the US has helped to single out a program consisting of 220 accepted papers from a grand total of 1351 submissions, implying a 16% acceptance rate. The whole program – both in tabular and list format – can be found on the website http://www.efa2010.org/academic_program.html.

The program is structured in 12 tracks, or topical areas, ranging from Asset Pricing, Banking, Corporate Finance and Behavioral Finance to Financial Engineering, Corporate Governance, International Finance, Market Microstructure and Regulation. We are very grateful for the commitment and support by the respective track chairs. They



JAN PIETER KRAHNÉN

are (in alphabetical order): Viral Acharya (Stern School, NYU), Marco Becht (ECGI, UL Brussels), Mikhail Chernov (London Business School), Thierry Foucault (HEC Paris), Denis Gromb (INSEAD Paris), Martin Lettau (Haas School, Berkeley), Ernst Maug (Mannheim), Stefan Nagel (Stanford), Steven Ongena (CentEr Tilburg), Helène Rey (London Business School), Pedro Santa Clara (UCLA; Lisbon), Erik Theissen (Mannheim) and Luis Viceira (Harvard Business School).

Three sessions from among a total of seventy in the program are earmarked as Special Sessions, as they are generously supported by donations. We are thus grateful for the financial support to the overall conference budget provided by SAC Capital Management, Thomson Reuters, Frankfurt Main Finance, Frankfurt Institute for Risk Management, Landesbank Hessen-Thüringen (Helaba), CRSP | Center for

Research in Security Prices – Chicago Booth, the European Central Bank, the Deutsche Bundesbank and last not least Goethe University and its House of Finance. Special thanks to Maria Vassalou and Philip Hartmann for their persevering support.

There are also three Policy Panels, covering the debate on key areas of the ongoing regulatory reform process in Europe and the US. We will witness discussions among and between academics, politicians and industry experts on such topics as: Transactions Taxes and Short-Selling Constraints, Bank Resolution Regimes and the use of Contingent Capital, and the Future of Financial Regulation. Special thanks to the panel chairmen Harald Hau and Hans-Helmut Kotz. We hope these panels will also help to open the annual meeting to some public attention – reflecting the increased attention attracted by financial markets and financial economics in the general public. Both types of sessions -special and panel- are presented at <http://www.efa2010.org/sps.html>.

The Keynote lecture is a special and traditional highlight if the EFA Annual Meetings, preceding the association's general meeting. I am proud to announce that Douglas Diamond, Merton H. Miller Distinguished Service Professor of Finance and George P. Shultz Faculty Fellow, University of Chicago Booth School of Business, will deliver the EFA 2010 Keynote Lecture. Professor Diamond is the founder of the modern theory of

financial intermediation, and it is with great excitement that we await his talk on “Short Term Debt, Fire Sales, and Financial Regulation”. Find more about Douglas Diamond and his talk at <http://www.efa2010.org/20.html>.

As in previous years, we have a number of Awards that will be handed over to the prize winners during the General meeting on August 27, 4 p.m. I am very grateful for the sponsors of this year's awards: the Goldman Sachs International Best Conference Paper Award, the Best Paper Published in the Review of Finance Award, donated by the Deutsche Bank Prize in Financial Economics, the Best Paper in Asset Management Award (donated by Commonfund) and the Best paper in Corporate Finance (donated by LECG), the Best Paper Award for the Doctorial Tutorial (donated by NASDAQ/OMX) and last but not least the EFA Award for the best student paper in the main conference program (donated by the EFA). Special thanks goes to Elroy Dimson, Philip Holzer, Kristian Miltersen, Marco Pagano, Pradeep Yadav and Josef Zechner.

Last but not least I want to thank Sabine Kimmel, of Center of Financial Studies, the lead manager throughout all phases of the preparations for the conference. Without her circumspection, her diligence, and her patience we would not have succeeded in getting our act together. I am also very indebted to Zoe Tsesmelidakis, PhD candidate at Goethe University's Finance

department, for her excellent support in all matters relating to paper submission and the academic program. Special thanks also to Frederic Schweikhard for his excellent work on the EFA 2010 website.

In conclusion, I want to invite all participants to enjoy the atmosphere on our new campus, and to take actively part in the most important get together of financial economists in Europe. Don't miss the social events, particularly the conference dinner on Friday evening, August 27. We have made all efforts to make this a truly outstanding event. Special thanks to Professor Otmar Issing, President of Goethe University's Center of Financial Studies, for delivering the Dinner Speech on Friday evening.



Jan Pieter Krahnem

PROGRAM CHAIR OF THE 2010 ANNUAL MEETING OF THE
EUROPEAN FINANCE ASSOCIATION

Sabine Kimmel is the Project Manager of the EFA 2010. Sabine is working at the Center for Financial Studies (CFS) at Goethe University, House of Finance, as the manager for special events and projects with the main focus on the Deutsche Bank Prize in Financial Economics. Before joining the CFS, Sabine completed a Master of Science in Economics from the Ludwig-Maximilians-University of Munich and she has worked for several international companies in the marketing and communication area.



Zoe Tsesselidakis is the Program Manager of the EFA 2010. Zoe started her Ph.D. studies in the Graduate Program in Finance and Monetary Economics at Goethe University in 2007 and joined the Chair of Corporate Finance of Jan Pieter Krahnert as a research assistant in 2008. Her research interests are in the area of asset pricing and banking, especially credit risk.



Friday, 16:00, New Lecture Building (HZ 2)

“Short-term Debt, Fire Sales and Financial Regulation”

*Keynote Address
by Douglas W. Diamond*

Douglas W. Diamond is the Merton H. Miller Distinguished Service Professor of Finance and George P. Shultz Faculty Fellow, University of Chicago Booth School of Business.

Professor Diamond specializes in the study of financial intermediaries, financial crises, and liquidity. His work has appeared in such notable journals as the *Journal of Financial Economics*, the *Journal of Finance*, the *Review of Economic Studies*, the *American Economic Review*, and the *Journal of Political Economy*. His research has been funded with grants from the National Science Foundation and the Garn Institute of Finance.

He has taught at Yale and was a visiting professor at the Hong Kong University of Science and Technology as well as the University of Bonn. He is a research associate of the National Bureau of Economic Research and worked for the Board of Governors of the Federal Reserve System while a graduate student.

In addition to his roles as a researcher and professor, Diamond is a visiting scholar at the Federal Reserve Bank of Richmond, a position he has held since 1990, and is on the Board of Directors of the Center for Research in Security Prices. Diamond is a former president of the American Finance Association and the Western Finance Association. He is also a fellow of the Econometric Society, the American Academy of Arts and Sciences, and the



DOUGLAS W. DIAMOND








































American Finance Association. He joined Chicago Booth in 1979.

Diamond earned a bachelor's degree in economics from Brown University in 1975. He earned master's degrees in 1976 and 1977 and a Ph.D. in 1980 in economics from Yale University.

We are deeply honoured to have Professor Diamond as our Keynote Speaker.

TIMETABLE

HOUSE OF FINANCE (HOF)			
08:00 – 17:00		Doctoral Tutorial	
08:45 – 09:00	Welcome	12:15 – 13:30	Lunch
09:00 – 09:45	1. Jung Lee , <i>Indiana University</i> “DO THEY VOTE WITH THEIR FEET? EVIDENCE FROM FUND OF MUTUAL FUNDS” Discussants: Faculty: Tom Berglund , <i>Hanken School of Economics</i> Student: Tõnn Talpsepp , <i>Tallinn University of Technology</i>	13:30 – 14:15	5. Peter Hoffmann , <i>Pompeu Fabra University</i> “ADVERSE SELECTION, TRANSACTION FEES, AND MULTI-MARKET TRADING” Discussants: Faculty: Hans Degryse , <i>K. U. Leuven</i> Student: Marta Serra Garcia , <i>Tilburg University</i>
09:45 – 10:30	2. Tobias Berg , <i>Munich University of Technology</i> “THE TERM STRUCTURE OF RISK PREMIA DURING THE FINANCIAL CRISIS: EVIDENCE FROM A NEW CALIBRATION APPROACH BASED ON CDS SPREADS” Discussants: Faculty: Steven Ongena , <i>Tilburg University</i> Student: Marcin Jaskowski , <i>Vienna University Of Economics And Business Administration</i>	14:15 – 15:00	6. Juliusz Radwanski , <i>Vienna Graduate School of Finance</i> “LONG-RUN RISK, COINTEGRATION, AND THE DISTRESS PUZZLE” Discussants: Faculty: TBA Student: Peter Koudijs , <i>Pompeu Fabra University</i>
10:30 – 10:45	Break	15:00 – 15:15	Break
10:45 – 11:30	3. Marcin Jaskowski , <i>Vienna University Of Economics And Business Administration</i> “CREDIT SPREADS, LATENT FACTORS AND NOISE” Discussants: Faculty: Wolfgang Bühler , <i>Mannheim University</i> Student: Tobias Berg , <i>Munich University of Technology</i>	15:15 – 16:00	7. Marta Serra Garcia , <i>Tilburg University</i> “COLLATERAL DAMAGE? PROPERTY RIGHTS AND LENDING BEHAVIOR” Discussants: Faculty: Avri Ravid , <i>Rutgers University</i> Student: Peter Hoffmann , <i>Pompeu Fabra University</i>
11:30 – 12:15	4. Peter Koudijs , <i>Pompeu Fabra University</i> “THE BOATS THAT DID NOT SAIL: EVIDENCE ON THE SOURCES OF ASSET PRICE VOLATILITY FROM AN 18TH CENTURY NATURAL EXPERIMENT” Discussants: Faculty: Neal Stoughton , <i>New South Wales University</i> Student: Juliusz Radwanski , <i>Vienna Graduate School of Finance</i>	16:00 – 16:45	8. Tõnn Talpsepp , <i>Tallinn University of Technology</i> “REVERSE DISPOSITION EFFECT OF FOREIGN INVESTORS” Discussants: Faculty: Esther Eiling , <i>University of Toronto</i> Student: Jung Lee , <i>Indiana University</i>
		16:45 – 17:00	Closure
14:00 – 17:00		Registration	
19:00		Welcome Reception (Alte Oper)	

	HZ 2	HZ 3	HZ 4	HZ 5	HZ 6	HZ 7	HZ 8	HZ 9	HZ 10															
08:00 – 15:00	Registration (Hof)																							
09:00 – 10:30		BI 1 Financial Institutions and Credit Markets	APE 2 The Cross Section of Stock Returns (I)	APT 1 Heterogeneity	CFE 1 Executive Turnover	DFE 1 New Facts and Models of S&P 500 Index and Options	CG 1 Governance and Politics	AM 1 Active Asset Management (I)	IF 1 Exchange Rate Returns and Currency Risk Premia															
Coffee Break																								
11:00 – 12:30		BI 2 Governance in Financial Institutions	APE 1 Real Estate and Asset Prices	CFE 11 Short-Term Financing	CFE 2 Managerial Incentives and Insider Trading	DFE 2 Fixed-Income and Commodity Options	CG 2 Ownership Structures	AM 2 Active Asset Management (II)	IF 2 Liquidity and the Crisis															
Lunch																								
14:00 – 15:30		BI 3 Bank Risk Taking	APE 3 The Cross Section of Stock Returns (II)	CFE 12 Seasoned Equity Offerings	CFE 3 Investor Proximity	CFT 1 Debt Problems	DM 1 Short-Sales	AM 3 Portfolio Performance	FP 3 Sources of Systemic Risk															
Coffee Break																								
16:00 – 18:00	PS 1 Bank Resolution	APT 2 Broader Risks and Portfolio Choice	APE 4 Liquidity Risk	APE 10 Finance and the Macroeconomy	CFE 4 Financial Distress	CFT 2 The Market for CEOs	DM 2 Empirical Market Microstructure	AM 4 Household Finance	CFE 10 Large Shareholders															
20:00	Informal Get Together (Living XXL)																							
<table border="0"> <tr> <td> AM Asset Management</td> <td> CFE Corporate Finance Empirical</td> <td> FP Financial Politics, Regulation & Competition</td> </tr> <tr> <td> APE Asset Pricing Empirical</td> <td> CFT Corporate Finance Theoretical</td> <td> IF International Finance & Money</td> </tr> <tr> <td> APT Asset Pricing Theoretical</td> <td> CG Corporate Governance</td> <td> PS Panel Session</td> </tr> <tr> <td> BF Behavioral Finance</td> <td> DFE Derivatives & Financial Engineering</td> <td></td> </tr> <tr> <td> BI Banking & Insurance</td> <td> DM Design of Markets & Market Microstructure</td> <td></td> </tr> </table>										 AM Asset Management	 CFE Corporate Finance Empirical	 FP Financial Politics, Regulation & Competition	 APE Asset Pricing Empirical	 CFT Corporate Finance Theoretical	 IF International Finance & Money	 APT Asset Pricing Theoretical	 CG Corporate Governance	 PS Panel Session	 BF Behavioral Finance	 DFE Derivatives & Financial Engineering		 BI Banking & Insurance	 DM Design of Markets & Market Microstructure	
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<p>HZ All sessions take place in the Hörsaalzentrum (HZ) of the Westend Campus.</p>																								

TIMETABLE

	HZ 2	HZ 3	HZ 4	HZ 5	HZ 6	HZ 7	HZ 8	HZ 9	HZ 10															
08:00 – 15:00	Registration (Hof)																							
09:00 – 10:30		BI 5 Using Loan Applications to Identify Credit Supply	APE 5 SAC Special Session on Expected Stock Returns	APE 11 Household Finance	CFE 5 Hedging	DFE 3 Mathematical Underpinnings of Financial Engineering	DM 3 Liquidity	AM 5 Portfolio Choice	FP 2 ECB Special Session Liquidity, Imbalances and Systemic Risk															
Coffee Break																								
11:00 – 12:30	PS 2 Future of Financial Regulation	BI 6 Financial Integration: Banking	APE 6 Volatility and Stock Returns		CFE 6 Private Equity and Leveraged Buyouts	CFT 3 Financing Innovation	CG 3 Board of Directors	BF 1 Household Portfolio Choice	IF 3 CDS and Bond Risk Premia															
Lunch																								
14:00 – 15:30	PS 3 Transaction Taxes and Short-Selling Restrictions: Stability Tools or Dangerous Populism?	BI 7 Financial Institutions, Systemic Risk and the Financial Crisis	APE 7 Bond Risk Premia		CFE 7 Thomson Reuters Special Session on Mergers and Alliances	CFT 4 Corporate Governance	CG 4 Corporate Voting and Control	BF 2 Investor Biases and Performance	IF 4 Home Bias and Financial Integration															
Coffee Break																								
16:00 – 17:00	Keynote Speech: Douglas Diamond (HZ 2)																							
17:00 – 18:00	General Assembly and Award Ceremony (HZ 2)																							
20:00	Conference Dinner (Casino, Campus Westend)																							
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08:00 – 11:00	Registration (Hof)								
09:00 – 10:30		BI 4 Relationship Banking	APE 9 Macro-economic Conditions and Asset Prices	FP 1 Banks and Politics	CFE 8 Mergers and Breakups	BF 3 Behavioral Corporate Finance	CG 5 CEO Behaviour and Incentives	AM 6 Life-Cycle Investing and Pension Fund Design	FP 4 Conflicts of Interest in Financial Intermediation
	Coffee Break								
11:00 – 12:30		BI 8 Agency	APE 8 Anomalies	APT 3 New Approaches	CFE 9 Capital Structure	BF 4 Investor Behavior and Asset Prices	DM 4 Market Microstructure: Theory	AM 7 Practical Issues on Portfolio Optimization	IF 5 Monetary Policy, Asset Markets and Banks
	Lunch Packages								
<p>AM Asset Management</p> <p>APE Asset Pricing Empirical</p> <p>APT Asset Pricing Theoretical</p> <p>BF Behavioral Finance</p> <p>BI Banking & Insurance</p> <p>CFE Corporate Finance Empirical</p> <p>CFT Corporate Finance Theoretical</p> <p>CG Corporate Governance</p> <p>DFE Derivatives & Financial Engineering</p> <p>DM Design of Markets & Market Microstructure</p> <p>FP Financial Politics, Regulation & Competition</p> <p>IF International Finance & Money</p> <p>PS Panel Session</p>									
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DETAILED ACADEMIC PROGRAM

INTERNATIONAL FINANCE & MONEY 1

Thursday, 09:00–10:30

IF 1

**EXCHANGE RATE RETURNS AND
CURRENCY RISK PREMIA (HZ 10)**Chair: Wolfgang Bessler, *Justus-Liebig-University Giessen***1) Countercyclical Currency Risk Premia**

Hanno Lustig, Nick Roussanov and Adrien Verdelhan, *UCLA Anderson School of Management, Wharton School, University of Pennsylvania* and *MIT Sloan School of Management*
 Discussant: Frans De Roon, *CentER, Tilburg University*

2) Speculative Profits or Hedging Benefits?**Currency Investing in Global Portfolios**

Frans De Roon, Esther Eiling, Bruno Gerard and Pierre Hillion, *CentER, Tilburg University, University of Toronto, BI Norwegian School of Management* and *INSEAD*
 Discussant: Ian Cooper, *London Business School*

3) The Exchange Rate Effect of Multi-Currency Risk ArbitrageHarald Hau, *INSEAD*Discussant: Esther Eiling, *University of Toronto*

BANKING & INSURANCE 1

Thursday, 09:00–10:30

BI 1

**FINANCIAL INSTITUTIONS AND
CREDIT MARKETS (HZ 3)**Chair: Stephen Figlewski, *Stern School of Business, New York University***1) The Impact of Government Interventions on
CDS and Equity Markets**

Frederic Schweikhard and Zoe Tsesmelidakis, *Goethe University Frankfurt*

Discussant: Marti G. Subrahmanyam, *Stern School of Business, New York University*

2) Banking and Sovereign Risk in the Euro Area

Stefan Gerlach, Alexander Schulz and Guntram Wolff, *Goethe University Frankfurt* and *Deutsche Bundesbank*

Discussant: Günseli Tümer-Alkan, *VU University Amsterdam***3) The Behavior of Intoxicated Investors: The Role of
Institutional Investors in Propagating the Crisis of 2007–2008**

Alberto Manconi, Massimo Massa and Ayako Yasuda, *INSEAD* and *UC Davis*

Discussant: Stefan Gerlach, *Goethe University Frankfurt*

Thursday, 09:00–10:30

ASSET PRICING EMPIRICAL 2

APE 2 THE CROSS SECTION OF STOCK RETURNS (I) (HZ 4)

Chair: Michael Hertz, *Arizona State University*

1) A Long-Horizon Perspective on the Cross-Section of Expected Returns

Rene Garcia and Abraham Lioui, *EDHEC Business School*
Discussant: Oliver Boguth, *University of British Columbia*

2) Do the Value and Size Premiums Really Proxy for Time-Varying Investment Opportunities?

Abraham Lioui and Patrice Poncet, *EDHEC Business School*
and *ESSEC Business School*
Discussant: Alexander Kempf, *University of Cologne*

3) Government Spending, Political Cycles and the Cross Section of Stock Returns

Frederico Belo, Vito Gala and Jun Li, *London Business School*
and *University of Minnesota*
Discussant: Elias Henrikki Rantapuska, *Aalto University School of Economics*

Thursday, 09:00–10:30

ASSET PRICING THEORETICAL 1

APT 1 HETEROGENEITY (HZ 5)

Chair: Holger Kraft, *Goethe University Frankfurt*

1) Financial Markets Equilibrium with Heterogeneous Agents

Jaksa Cvitanic, Elyes Jouini, Semyon Malamud and Clotilde Napp, *California Institute of Technology*, *Université Paris-Dauphine* and *École Polytechnique Fédérale de Lausanne*
Discussant: Siegfried Trautmann, *Johannes-Gutenberg-University of Mainz*

2) Skewness in Stock Returns: Reconciling the Evidence on Firm versus Aggregate Returns

Rui Albuquerque, *Boston University*
Discussant: Grigory Vilkov, *Goethe University Frankfurt*

3) Asset Prices with Heterogeneity in Preferences and Beliefs

Harjoat Bhamra and Raman Uppal, *University of British Columbia*
and *London Business School*
Discussant: Yingzi Zhu, *Tsinghua University, Beijing*

CFE 1

EXECUTIVE TURNOVER (HZ 6)Chair: Ernst Maug, *University of Mannheim***1) Is a CEO Turnover Good or Bad News?**Axel Kind and Yves Schläpfer, *University of Basel*Discussant: Ebru Reis, *Bentley University***2) Incentives in Managerial Pay and Voluntary Turnover**

Jayant Kale, Ebru Reis and Anand Venkateswaran,

*Georgia State University, Bentley University and Northeastern University*Discussant: Yves Schläpfer, *University of Basel***3) What Death Can Tell: Are Executives Paid for Their Contribution to Firm Value?**Bang Dang Nguyen and Kasper Meisner Nielsen, *Chinese University of Hong Kong and Hong Kong University of Science and Technology*Discussant: Mieszko Mazur, *CentER, Tilburg University*

DFE 1

NEW FACTS AND MODELS OF S&P 500 INDEX AND OPTIONS (HZ 7)Chair: Wolfgang Bühler, *University of New South Wales***1) Option Anomalies and the Pricing Kernel**Peter Christoffersen, Steven Heston and Kris Jacobs, *McGill University and University of Maryland*Discussant: Nicole Branger, *University of Muenster***2) Stochastic Volatility and Jumps: Exponentially Affine Yes or No? An Empirical Analysis of S&P500 Dynamics**Katja Ignatieva, Paulo Rodrigues and Norman Seeger, *Goethe University Frankfurt and University of St.Gallen*Discussant: Michael Johannes, *Columbia Business School***3) Understanding the Skew in Index Option Prices**Roman Kozhan, Anthony Neuberger and Paul Schneider, *Warwick Business School*Discussant: Christian Schlag, *Goethe University Frankfurt*

Thursday, 09:00–10:30

CORPORATE GOVERNANCE 1

CG 1

GOVERNANCE AND POLITICS (HZ 8)Chair: Milton Harris, *Chicago Booth School of Business***1) Ownership and the Value of Political Connections**Oliver Rui, Chongfeng Wu and Wenfeng Wu, *Chinese University of Hong Kong* and *Shanghai Jiao Tong University*Discussant: Mario Daniele Amore, *Copenhagen Business School***2) Political Reforms and the Causal Impact of Blood – Related Politicians on Corporate Performance in the World’s Least Corrupt Society**Mario Daniele Amore and Morten Bennedsen, *Copenhagen Business School* and *INSEAD*Discussant: Oliver Rui, *Chinese University of Hong Kong***3) The Effect of Corporate Governance Regulation on Transparency: Evidence from the Sarbanes-Oxley Act of 2002**Stefan Arping and Zacharias Sautner, *Amsterdam Business School*Discussant: Dalida Kadyrzhanova, *University of Maryland*

Thursday, 09:00–10:30

ASSET MANAGEMENT 1

AM 1

ACTIVE ASSET MANAGEMENT (I) (HZ 9)Chair: Jerome Detemple, *Boston University***1) On the Size of the Active Management Industry**Lubos Pastor and Robert Stambaugh, *Chicago Booth School of Business*, *Wharton School* and *University of Pennsylvania*Discussant: Min S. Kim, *University of Southern California***2) Changes in Mutual Fund Flows and Managerial Incentives**Min S. Kim, *University of Southern California*Discussant: Aneel Keswani, *Cass Business School***3) The Flow-Performance Relationship Around the World**Miguel Ferreira, Aneel Keswani, Antonio Miguel, Lubos Pastor and Sofia Ramos, *Universidade Nova de Lisboa*, *Cass Business School*, *ISCTE Lisbon* and *Chicago Booth School of Business*Discussant: Raimond Maurer, *Goethe University Frankfurt*

IF 2

LIQUIDITY AND THE CRISIS (HZ 10)Chair: Ingrid Werner, *Ohio State University***1) International Liquidity Provision and Currency-Specific Liquidity Shortages**William Allen and Richhild Moessner, *Cass Business School* and *Bank for International Settlements*Discussant: Giovanni Favara, *HEC University of Lausanne***2) Money and Liquidity in Financial Markets**Kjell Nyborg and Per Östberg, *University of Zurich* and *Norwegian School of Economics and Business Administration*Discussant: Wolfgang Lemke, *European Central Bank***3) Credit Supply and the Price of Housing**Giovanni Favara and Jean Imbs, *HEC University of Lausanne*Discussant: Richhild Moessner, *Bank for International Settlements*

BI 2

GOVERNANCE IN FINANCIAL INSTITUTIONS (HZ 3)Chair: Ingolf Dittmann, *Erasmus School of Economics***1) The Impact of Changes in Bank Ownership Structure on the Allocation of Capital: International Evidence**Alvaro G. Taboada, *University of Tennessee*Discussant: Mariassunta Giannetti, *Stockholm School of Economics***2) Authority and Information**Sumit Agarwal and Robert Hauswald, *Federal Reserve Bank of Chicago* and *American University*Discussant: Rainer Haselmann, *University of Bonn***3) Real Effects of Bank Governance: Bank Ownership and Corporate Innovation**Rainer Haselmann and Beatrice Weder di Mauro, *University of Bonn* and *Johannes-Gutenberg-University of Mainz*Discussant: Jens Grunert, *University of Tübingen*

Thursday, 11:00–12:30

ASSET PRICING EMPIRICAL 1

APE 1

REAL ESTATE AND ASSET PRICES (HZ 4)Chair: Marliese Uhrig-Homburgs, *Karlsruhe Institute of Technology***1) Real Estate Prices During the Great Depression**Tom Nicholas and Anna Scherbina, *Harvard Business School* and *UC Davis*Discussant: Genaro Sucarrat, *Universidad Carlos III de Madrid***2) The Macroeconomic Effects of Housing Wealth, Housing Finance, and Limited Risk-Sharing in General Equilibrium**Jack Favilukis, Sydney Ludvigson and Stijn Van Nieuwerburgh, *London School of Economics, New York University, Stern School of Business* and *New York University*Discussant: Bruno Gerard, *BI Norwegian School of Management***3) Anatomy of a Meltdown: The Risk Neutral Density for the S&P 500 in the Fall of 2008**Justin Birru and Stephen Figlewski, *Stern School of Business* and *New York University*Discussant: Alberto Rossi, *UC San Diego*

Thursday, 11:00–12:30

CORPORATE FINANCE EMPIRICAL 11

CFE 11

SHORT-TERM FINANCING (HZ 5)Chair: Ulrich Hege, *HEC Paris***1) Trade Credit, Relationship-Specific Investment, and Market Power**Nishant Dass, Jayant Kale and Vikram Nanda, *Georgia Institute of Technology* and *Georgia State University*Discussant: Antje Brunner, *Humboldt University Berlin***2) The Information Content of Trade Credit**Nihat Aktas, Eric de Bodt, Frederic Lobeze and Jean-Christophe Statnik, *EMLYON Business School* and *Universite Lille Nord de France*Discussant: Jayant Kale, *Georgia State University***3) The Dynamics of Cash**Amy K Dittmar and Ran Duchin, *University of Michigan*Discussant: Breno Schmidt, *Emory University*

DETAILED ACADEMIC PROGRAM

CORPORATE FINANCE EMPIRICAL 2

Thursday, 11:00–12:30

CFE 2 **MANAGERIAL INCENTIVES AND INSIDER TRADING (HZ 6)**Chair: Rui Albuquerque, *Boston University***1) Executive Stock Options and Manipulated Stock-Price Performance: Evidence from Retiring CEOs**Liu Zheng and Xianming Zhou, *University of Hong Kong*Discussant: Vijay Yerramilli, *Kelley School of Business***2) Internal Capital Markets, Non-Cash Divestitures and Managerial Incentives**Mieszko Mazur, *CentER and Tilburg University*Discussant: Markus Glaser, *University of Konstanz***3) Strategic Trading and Trade Reporting**

Andre Betzer, Jasmin Gider, Daniel Metzger and Erik Theissen,

*University of Bonn, London School of Economics and**University of Mannheim*Discussant: Mieszko Mazur, *CentER, Tilburg University*

DERIVATIVES & FINANCIAL ENGINEERING 2

Thursday, 11:00–12:30

DFE 2 **FIXED-INCOME AND COMMODITY OPTIONS (HZ 7)**Chair: Robert L. McDonald, *Kellogg School of Management***1) Understanding the Term Structure of Yield Curve Volatility**Anna Cieslak and Pavol Povala, *University of Lugano*Discussant: Marcel Prokopczuk, *University of Reading***2) Seasonality and the Valuation of Commodity Options**Janis Back, Marcel Prokopczuk and Markus Rudolf, *WHU –**Otto Beisheim School of Management and University of Reading*Discussant: Olesya V. Grishchenko, *Penn State University***3) The Information Content of the Embedded Deflation Option in TIPS**

Olesya V. Grishchenko, Joel Vanden and Jianing Zhang,

*Penn State University*Discussant: Oreste Tristani, *European Central Bank*

Thursday, 11:00–12:30

CORPORATE GOVERNANCE 2

CG 2

OWNERSHIP STRUCTURES (HZ 8)Chair: Francesca Cornelli, *London Business School***1) Long Term Changes in Voting Power and Control Structure following the Unification of Dual Class Shares**Beni Lauterbach and Yishay Yaffe, *Bar Ilan University and Hebrew University of Jerusalem*Discussant: Gilles Hilary, *HEC Paris***2) The Economic Performance of Ownerless Firms**Øyvind Böhren and Morten Josefsen, *BI Norwegian School of Management*Discussant: Beni Lauterbach, *Bar Ilan University***3) Insider Trading and Family Firms**Lilian H. Chan, Tai-Yuan Chen and Gilles Hilary, *University of Hong Kong, Hong Kong University of Science and Technology and HEC Paris*Discussant: Emilia Garcia Appendini, *Università Bocconi*

Thursday, 11:00–12:30

ASSET MANAGEMENT 2

AM 2

ACTIVE ASSET MANAGEMENT (II) (HZ 9)Chair: George Skiadopoulos, *University of Piraeus***1) Finding Bernie Madoff: Detecting Fraud by Investment Managers**Stephen G. Dimmock and William C. Gerken, *Michigan State University and Auburn University*Discussant: Melvyn Teo, *Singapore Management University***2) The Liquidity Risk of Liquid Hedge Funds**Melvyn Teo, *Singapore Management University*Discussant: Mikhail Simutin, *University of British Columbia***3) Excess Cash and Mutual Fund Performance**Mikhail Simutin, *University of British Columbia*Discussant: Stephen G. Dimmock, *Michigan State University*

DETAILED ACADEMIC PROGRAM

FINANCIAL POLITICS, REGULATION & COMPETITION 3

Thursday, 14:00–15:30

FP 3

SOURCES OF SYSTEMIC RISK (HZ 10)Chair: Michael Brandt, *Duke University*

- 1) **The Euro Area Interbank Market and the Liquidity Management of the Eurosystem in the Financial Crisis**
Achim Hauck and Ulrike Neyer, *Heinrich-Heine University Düsseldorf*
Discussant: Kjell Nyborg, *University of Zurich*
- 2) **Balance Sheet Interlinkages and Macro-Financial Risk Analysis in the Euro Area**
Olli Juhani Castrén and Ilja Kristian Kavonius, *European Central Bank*
Discussant: Michael Halling, *University of Utah*
- 3) **Hedge Fund Systemic Risk Contribution, Capital Structure and Performance**
Juha Joenväärä, *University of Oulu*
Discussant: Alfred Lehar, *University of Calgary*

BANKING & INSURANCE 3

Thursday, 14:00–15:30

BI 3

BANK RISK TAKING (HZ 3)Chair: Steven Ongena, *CentER, Tilburg University*

- 1) **Stronger Risk Controls, Lower Risk: Evidence from U.S. Bank Holding Companies**
Andrew Ellul and Vijay Yerramilli, *Kelley School of Business*
Discussant: Reint Gropp, *European Business School*
- 2) **Dividends and Risk in European Banks**
Enrico Onali, *Bangor Business School*
Discussant: André Güttler, *European Business School*
- 3) **The Impact of Public Guarantees on Bank Risk Taking: Evidence From a Natural Experiment**
Reint Gropp, Christian Gründl and André Güttler, *European Business School*
Discussant: Hans Peter Burghof, *University of Hohenheim*

Thursday, 14:00–15:30

ASSET PRICING EMPIRICAL 3

APE 3 THE CROSS SECTION OF STOCK RETURNS (II) (HZ 4)

Chair: Vikas Raman, *University of Oklahoma*

1) Ranking Stocks and Returns: A Non-Parametric Analysis of Asset Pricing Anomalies

Denys Maslov and Oleg Rytchkov, *University of Texas at Austin and Temple University*Discussant: Jules van Binsbergen, *Stanford Graduate School of Business*

2) On the Timing and Pricing of Cash Flows

Michael Brandt, Ralph Koijen and Jules van Binsbergen, *Duke University, Chicago Booth School of Business and Stanford Graduate School of Business*Discussant: Zhiyi Qian, *Arizona State University*

3) Future Labor Income Growth and the Cross-Section of Equity Returns

Dongcheol Kim, Tong Suk Kim and Byoung Kyu Min, *Korea University, Korea Advanced Institute of Science and Technology and Ohio State University*Discussant: Oleg Rytchkov, *Temple University*

Thursday, 14:00–15:30

CORPORATE FINANCE EMPIRICAL 12

CFE 12 SEASONED EQUITY OFFERINGS (HZ 5)

Chair: S. Abraham Ravid, *Rutgers Business School*

1) Convertibles and Hedge Funds as Distributors of Equity Exposure

Stephen Brown, Bruce Grundy, Craig Lewis and Patrick Verwijmeren, *Stern School of Business, New York University, University of Melbourne and Vanderbilt University*Discussant: Sigita Karpavicius, *University of New South Wales*

2) Information Asymmetry and SEO Method Choice: The Impact of Institutional Ownership, Analyst Coverage, and Earnings Management

Sigita Karpavicius and Jo-Ann Suchard, *University of New South Wales*Discussant: Laure Matsoukis, *Université Paris-Dauphine*

3) Financial Intermediation and the Rights Offer Paradox

Laure Matsoukis, *Université Paris-Dauphine*Discussant: Patrick Verwijmeren, *University of Melbourne*

DETAILED ACADEMIC PROGRAM

CORPORATE FINANCE EMPIRICAL 3

Thursday, 14:00–15:30

CFE 3 **INVESTOR PROXIMITY (HZ 6)**
Chair: Jayant Kale, *Georgia State University***1) Distance Matters! Shareholder Proximity and Corporate Policies**Vidhi Chhaochharia, Alok Kumar and **Alexandra Niessen**, *University of Miami, University of Texas at Austin and University of Mannheim*Discussant: Rüdiger Fahlenbrach, *École Polytechnique Fédérale de Lausanne***2) Overcoming Distances via Syndication with Local Friends: The Case of Venture Capital**Andrea Schertler and **Tereza Tykvova**, *University of Kiel and Centre for European Economic Research*Discussant: Alexandra Niessen, *University of Mannheim***3) Do Cultural Differences Between Contracting Parties Matter? Evidence from Syndicated Bank Loans****Mariassunta Giannetti** and Yishay Yafeh, *Stockholm School of Economics and Hebrew University of Jerusalem*Discussant: Tereza Tykvova, *Centre for European Economic Research*

CORPORATE FINANCE THEORETICAL 1

Thursday, 14:00–15:30

CFT 1 **DEBT PROBLEMS (HZ 7)**
Chair: Denis Gromb, *INSEAD***1) Credit Default Swaps and the Empty Creditor Problem**Patrick Bolton and **Martin Oehmke**, *Columbia Business School*Discussant: Samuel Lee, *Stern School of Business, New York University***2) The Hazards of Debt: Dynamic Debt Runs, Agency, and Bailouts**Ing-Haw Cheng and **Konstantin Milbradt**, *University of Michigan and MIT Sloan School of Management*Discussant: Marcus Matthias Opp, *Haas School of Business, Berkeley***3) Rating Agencies in the Face of Regulation – Rating Inflation and Regulatory Arbitrage**Christian Carsten Opp, **Marcus Matthias Opp** and Milton Harris, *Chicago Booth School of Business, Haas School of Business and Berkeley*Discussant: Martin Oehmke, *Columbia Business School*

Thursday, 14:00–15:30

DESIGN OF MARKETS & MARKET MICROSTRUCTURE 1

DM 1

SHORT-SALES (HZ 8)Chair: Pradeep Yadav, *University of Oklahoma***1) Short-Selling Bans around the World:****Evidence from the 2007–09 Crisis****Alessandro Beber** and Marco Pagano, *Amsterdam Business School* and *University of Naples Federico II*Discussant: Matthew Clifton, *University of Technology, Sydney***2) Short Selling: Information or Manipulation?**Carole Comerton-Forde and **Talis Janis Putnins**, *University of Sydney* and *Stockholm School of Economics in Riga*Discussant: Erik Theissen, *University of Mannheim***3) The Impact of Short Selling Restrictions and Extreme****Uncertainty on Liquidity and Order Flow:****Evidence from the London Stock Exchange****Matthew Clifton** and David Michayluk, *University of Technology and Sydney*Discussant: Mark Van Achter, *University of Mannheim*

Thursday, 14:00–15:30

ASSET MANAGEMENT 3

AM 3

PORTFOLIO PERFORMANCE (HZ 9)Chair: Lubos Pastor, *Chicago Booth School of Business***1) State-Dependent Dependencies: A Continuous-Time Dynamics for Correlations****Christoph Becker** and Wolfgang Schmidt, *Frankfurt School of Finance & Management*Discussant: Linda Sandris Larsen, *University of Southern Denmark***2) How Important is Foreign Ownership for International Stock Co-Movement?****Soehnke M. Bartram**, John M. Griffin and David Ng, *Lancaster University*, *University of Texas at Austin*, *Wharton School* and *University of Pennsylvania*Discussant: Christoph Becker, *Frankfurt School of Finance & Management***3) Asset Allocation with Option-Implied Distributions: A Forward-Looking Approach**

Alexandros Kostakis, Nikolaos Panigirtzoglou and

George Skiadopoulos, *University of Glasgow*, *Queen Mary University of London* and *University of Piraeus*Discussant: Steffen Meyer, *Goethe University Frankfurt*

CFE 10 LARGE SHAREHOLDERS (HZ 10)

Chair: Chitru Fernando, *University of Oklahoma*

1) Uninvited U.S. Investors? Economic Consequences of Involuntary Cross-listings

Peter Iliev, Darius Miller and Lukas Roth, *Penn State University, Southern Methodist University and Alberta School of Business*
Discussant: Jens K. Martin, *Amsterdam Business School*

2) Institutional Investors and Corporate Investment

Cristina Cella, *Kelley School of Business*
Discussant: Nihat Aktas, *EMLYON Business School*

3) The Impact of Foreign Government Investments: Sovereign Wealth Fund Investments in the U.S.

Elvira Sojli and Wing Wah Tham, *Rotterdam School of Management, Erasmus University and Erasmus School of Economics*
Discussant: Jörg Rocholl, *European School of Management and Technology*

4) Competition in Shareholders Protection and Portfolio Diversification

Bruno Parigi, Loriana Pelizzon and Ernst Ludwig Von Thadden, *University of Padua, University of Venice and University of Mannheim*
Discussant: Cristina Cella, *Kelley School of Business*

Thursday, 16:00–17:30

PANEL SESSION 1

PS 1

BANK RESOLUTION (HZ 2)Chair: Jan Pieter Krahen, *Goethe University Frankfurt***Participants:**

Douglas Diamond, Merton H. Miller *Distinguished Service Professor of Finance* and George P. Shultz *Faculty Fellow, Booth School of Business, University of Chicago*

Robert L. McDonald, Erwin P. Nemmers *Professor of Finance, Kellogg School of Management, Northwestern University*

Marti G. Subrahmanyam, Charles E. Merrill *Professor of Finance, Stern School of Business, New York University*

Luis Viceira, George E. Bates *Professor of Finance, Harvard Business School*

Please refer to page 56 for further information on this session.

APT 2

**BROADER RISKS AND PORTFOLIO
CHOICE (HZ 3)**

Chair: Kristian Miltersen, *Copenhagen Business School*

1) Investment, Income, and Incompleteness

Björn Bick, Holger Kraft and Claus Munk,
Goethe University Frankfurt and Aarhus University
Discussant: Jaksza Cvitanic, *California Institute of Technology*

**2) A Long-Run Risks Model with Long- and Short-Run
Volatilities: Explaining Predictability and Volatility
Risk Premium**

Guofu Zhou and Yingzi Zhu, *Washington University St Louis,
Tsinghua University and Beijing*
Discussant: Dana Kiku, *Wharton School, University of Pennsylvania*

3) Credit Risk and Real Investment Dynamics

Lars-Alexander Kuehn and Lukas Schmid, *Carnegie Mellon University
and Duke University*
Discussant: Holger Kraft, *Goethe University Frankfurt*

**4) Growth to Value: Option Exercise and the Cross Section
of Equity Returns**

Hengjie Ai and Dana Kiku, *Duke University, Wharton School
and University of Pennsylvania*
Discussant: Claus Munk, *Aarhus University*

Thursday, 16:00–18:00

ASSET PRICING EMPIRICAL 4

APE 4

LIQUIDITY RISK (HZ 4)Chair: **Rene Garcia**, *EDHEC Business School***1) Private Equity Performance and Liquidity Risk**Francesco Franzoni, **Eric Nowak** and Ludovic Phalippou,
*University of Lugano and Amsterdam Business School*Discussant: Wolfgang Bühler, *University of New South Wales***2) The Term Structure of Liquidity Premia in the U.S. Treasury Market**Wolfgang Bühler and **Volker Vohnhoff**, *University of New South Wales*
and *University of Mannheim*Discussant: Olaf Korn, *Georg-August-Universität Göttingen***3) The Term Structure of Illiquidity Premia****Alexander Kempf**, Olaf Korn and Marliese Uhrig-Homburg,
University of Cologne, Georg-August-Universität Göttingen and
*Karlsruhe Institute of Technology*Discussant: Sakkapop Panyanukul, *Warwick Business School***4) Liquidity Risk and the Pricing of Sovereign Bonds in Emerging Markets****Sakkapop Panyanukul**, *Warwick Business School*Discussant: Volker Vohnhoff, *University of Mannheim*

APE 10 **FINANCE AND THE MACROECONOMY (HZ 5)**Chair: Jan Pieter Krahenen, *Goethe University Frankfurt***1) Q-Theory with Curvature**Frederico Belo, Chen Xue and Lu Zhang, *University of Minnesota*
and *University of Michigan*Discussant: Paulo Rodrigues, *Goethe University Frankfurt***2) Asset Return Dynamics under Bad Environment-Good Environment Fundamentals**Geert Bekaert and Eric Engstrom, *Columbia Business School*
and *Federal Reserve Board*Discussant: Roman Kraeussl, *VU University Amsterdam***3) Improving the Predictability of Real Economic Activity and Asset Returns with Forward Variances Inferred from Option Portfolios**Gurdip Bakshi, George Panayotov and Georgios Skoulakis,
Georgetown University and *University of Maryland*Discussant: Eric Engstrom, *Federal Reserve Board***4) Ratings Quality over the Business Cycle**Heski Bar-Isaac and Joel Shapiro, *Stern School of Business,*
New York University and *University of Oxford*Discussant: Abraham Lioui, *EDHEC Business School*

Thursday, 16:00–18:00

CORPORATE FINANCE EMPIRICAL 4

CFE 4

FINANCE AND THE MACROECONOMY (HZ 5)Chair: Tim Adam, *Humboldt University Berlin***1) Endogenous Bankruptcy and Expected Recovery**Wulin Suo, **Wei Wang** and Qi Zhang, *Queen's University and CA*
Discussant: Ralf Elsas, *Ludwig Maximilian University Munich***2) Are Consumers Affected by Durable Goods Makers' Financial Distress? The Case of Auto Manufacturers**Ali Hortacsu, **Gregor Matvos**, Chad Syverson and Sriram Venkataraman, *University of Chicago, Chicago Booth School of Business and Emory University*
Discussant: Yihui Wang, *Chinese University of Hong Kong***3) Do Credit Rating Agencies Underestimate Liquidity Risk?**Radhakrishnan Gopalan, Fenghua Song and **Vijay Yerramilli**, *Washington University St Louis, Penn State University and Kelley School of Business*
Discussant: Wei Wang, *Queen's University, CA***4) Do Environmental Concerns Affect the Cost of Bank Loans?****Sudheer Chava**, *Texas A&M University*
Discussant: Gregor Matvos, *Chicago Booth School of Business*

CFT 2

THE MARKET FOR CEOs (HZ 7)

Chair: **Bilge Yilmaz**, *Wharton School, University of Pennsylvania*

1) CEO Turnover in a Competitive Assignment Framework

Andrea L. Eisfeldt and **Camelia M. Kuhnen**, *Kellogg School of Management*

Discussant: Ajay Subramanian, *Georgia State University*

2) Seeking Alpha: Excess Risk Taking and Competition for Managerial Talent

Viral Acharya, **Marco Pagano** and Paolo Volpin, *Stern School of Business, New York University, University of Naples Federico II and London Business School*

Discussant: Mike Burkart, *Stockholm School of Economics*

3) Performance Pay, CEO Dismissal and the Dual Role of Takeovers

Mike Burkart and **Konrad Raff**, *Stockholm School of Economics and Toulouse School of Economics*

Discussant: Camelia M. Kuhnen, *Kellogg School of Management*

4) Restricting CEO Pay

Ingolf Dittmann, Ernst Maug and **Dan Zhang**, *Erasmus School of Economics and University of Mannheim*

Discussant: Konrad Raff, *Toulouse School of Economics*

Thursday, 16:00–18:00

DESIGN OF MARKETS & MARKET MICROSTRUCTURE 2

DM 2

**EMPIRICAL MARKET
MICROSTRUCTURE (HZ 8)**Chair: Thierry Foucault, *HEC Paris***1) Market Microstructure Invariants**Albert Kyle and Anna Obizhaeva, *University of Maryland*Discussant: M. Fabricio Perez, *Wilfrid Laurier University***2) International Price Discovery in Stock Markets –
A Unique Intensity Based Information Share**Kerstin Kehrlé and Franziska Julia Peter, *University of Zurich*and *University of Tübingen*Discussant: Frank De Jong, *CentER, Tilburg University***3) A Tale Of Two Platforms: Dealer Intermediation in the
European Sovereign Bond Market**

Peter Dunne, Harald Hau and Michael John Moore,

*Central Bank & Financial Services Authority of Ireland, INSEAD*and *Queen's University Belfast*Discussant: Kerstin Kehrlé, *University of Zurich***4) Decoding Inside Information**

Lauren Cohen, Christopher Malloy and Lukasz Pomorski,

*Harvard Business School and University of Toronto*Discussant: Harald Hau, *INSEAD*

AM 4

HOUSEHOLD FINANCE (HZ 9)Chair: Michalis Haliassos, *Goethe University Frankfurt***1) Do Better Educated Investors Make Smarter Investment Decisions?**Petra Halling, *Vienna University of Economics and Business*Discussant: Roine Vestman, *New York University***2) Financial Advice: An Improvement for Worse?**Yigitcan Karabulut, *Goethe University Frankfurt*Discussant: Petra Halling, *Vienna University of Economics and Business***3) Trading on Advice**Andreas Hackethal, Roman Inderst and Steffen Meyer,
*Goethe University Frankfurt*Discussant: Bart Franciscus Diris, *Maastricht University***4) Limited Stock Market Participation and Home Ownership**Roine Vestman, *New York University*Discussant: Yigitcan Karabulut, *Goethe University Frankfurt*

Friday, 09:00–10:30

FINANCIAL POLITICS, REGULATION & COMPETITION 2

FP 2

**ECB SPECIAL SESSION: LIQUIDITY,
IMBALANCES AND SYSTEMIC RISK (HZ 10)**Chair: Alex Stomper, *MIT Sloan School of Management***1) The Seeds of a Crisis: A Theory of Bank Liquidity and Risk-Taking over the Business Cycle**Viral Acharya and Hassan Naqvi, *Stern School of Business, New York University and National University of Singapore*
Discussant: Arnoud Boot, *Amsterdam Business School***2) Bank Liquidity Creation During Distress**Allen N. Berger, Christa H. S. Bouwman, Thomas Kick and Klaus Schaeck, *University of South Carolina, MIT Sloan School of Management, Deutsche Bundesbank and Bangor Business School*
Discussant: Thomas Huertas, *Bank of England***3) When the Rivers Run Dry: Liquidity and the Use of Wholesale Funds in the Transmission of the U.S. Subprime Crisis**Claudio Raddatz, *World Bank*
Discussant: Hassan Naqvi, *National University of Singapore**Please refer to page 57 for further information on this session.*

Friday, 09:00–10:30

BANKING & INSURANCE 5

BI 5

**USING LOAN APPLICATIONS TO IDENTIFY
CREDIT SUPPLY (HZ 3)**Chair: Alfred Lehar, *University of Calgary***1) The Dynamics in Demand and Supply – Credit Constraints in Small Business Bank Relationships**Karolin Kirschenmann, *University of Mannheim*
Discussant: Hans Degryse, *CentER, Tilburg University***2) Do Relationship Loans Have Lower Default Rates? Evidence from 1 Million Loans**Manju Puri, Jörg Rocholl and Sascha Steffen, *Duke University, European School of Management and Technology and University of Mannheim*
Discussant: José-Luis Peydró, *European Central Bank***3) Credit Supply: Identifying Balance-Sheet Channels with Loan Applications and Granted Loans**Gabriel Jiménez, Steven Ongena, José-Luis Peydró and Jesús Saurina, *Banco de España, CentER, Tilburg University and European Central Bank*
Discussant: Karolin Kirschenmann, *University of Mannheim*

APE 5

SAC SPECIAL SESSION ON EXPECTED STOCK RETURNS (HZ 4)

Chair: Maria Vassalou, SAC Capital Advisors, LLC

1) Temporal Risk Aversion and Long Run RisksSkander Van den Heuvel, *Federal Reserve Board*Discussant: Denitsa Stefanova, *VU University Amsterdam***2) Ex Ante Skewness and Expected Stock Returns**Jennifer Conrad, Robert F Dittmar and Eric Ghysels, *UNC Kenan-Flagler Business School and University of Michigan*Discussant: Lukasz Pomorski, *University of Toronto***3) What is the Shape of the Risk-Return Relation?**Alberto Rossi and Allan Timmermann, *UC San Diego*Discussant: Skander Van den Heuvel, *Federal Reserve Board**Please refer to page 57 for further information on this session.*

APE 11

HOUSEHOLD FINANCE (HZ 5)

Chair: Frans De Roon, CentER, Tilburg University

1) Are Investors Prudent? An Empirical Analysis of the Risk-Return Trade-Off Using Intraday DataBenoît Sévi, *London Business School and CEREBEM*Discussant: Bruce Grundy, *University of Melbourne***2) Do Disaster Expectations Explain Household Portfolios?**Sule Alan, *University of Cambridge*Discussant: Benoît Sévi, *London Business School and CEREBEM***3) Style Investing, Mutual Fund Flows, and Return Comovement**Zhiyi Qian and Zhen Shi, *Arizona State University*Discussant: Sule Alan, *University of Cambridge*

Friday, 09:00–10:30

CORPORATE FINANCE EMPIRICAL 5

CFE 5

HEDGING (HZ 6)Chair: Kjell Nyborg, *University of Zurich***1) Are Corporate Hedging Announcements Informative?**Chitru Fernando and Vikas Raman, *University of Oklahoma*Discussant: S. Abraham Ravid, *Rutgers Business School***2) Cash Flow Hedging and Liquidity Choices**David Disatnik, Ran Duchin and Breno Schmidt, *Tel Aviv University, University of Michigan and Emory University*Discussant: Chitru Fernando, *University of Oklahoma***3) Hedging Policies and Market Power? An Analysis of the Optimality of the Different Types of Hedging**David De Angelis and S. Abraham Ravid, *Cornell University and Rutgers Business School*Discussant: Tim Adam, *Humboldt University Berlin*

Friday, 09:00–10:30

DERIVATIVES & FINANCIAL ENGINEERING 3

DFE 3

MATHEMATICAL UNDERPINNINGS OF FINANCIAL ENGINEERING (HZ 7)Chair: Mikhail Chernov, *London Business School***1) Transition Density Approximations for Multivariate Affine Jump Diffusion Processes**Damir Filipovic, Eberhard Mayerhofer and Paul Schneider, *École Polytechnique Fédérale de Lausanne, University of Vienna and Warwick Business School*Discussant: Anna Cieslak, *University of Lugano***2) Asset Pricing with Second-Order Esscher Transforms**Alain Monfort and Fulvio Pegoraro, *Banque de France*Discussant: Peter H. Gruber, *University of Lugano***3) Three Make a Dynamic Smile? Unspanned Skewness and Interacting Volatility Components in Option Valuation**Peter H. Gruber, Claudio Tebaldi and Fabio Trojani, *University of Lugano and Università Bocconi*Discussant: Roman Kozhan, *Warwick Business School*

DETAILED ACADEMIC PROGRAM

DESIGN OF MARKETS & MARKET MICROSTRUCTURE 3

Friday, 09:00–10:30

DM 3

LIQUIDITY (HZ 8)Chair: Marco Pagano, *University of Naples Federico II***1) Liquidity Externalities and Buyout Delisting Activity**José Miguel Gaspar and Laurence Lescourret, *ESSEC Business School*Discussant: A. J. Menkveld, *VU University Amsterdam***2) Regulatory Pressure and Fire Sales in the Corporate Bond Market**Andrew Ellul, Chotibhak Jotikasthira and Christian Lundblad, *Kelley School of Business and UNC Kenan-Flagler Business School*Discussant: Laurent Frésard, *HEC Paris***3) Price Pressures**Terrence Hendershott and A. J. Menkveld, *Haas School of Business, Berkeley and VU University Amsterdam*Discussant: Ingrid Werner, *Ohio State University*

ASSET MANAGEMENT 5

Friday, 09:00–10:30

AM 5

PORTFOLIO CHOICE (HZ 9)Chair: Elroy Dimson, *London Business School***1) Dynamic Consumption and Portfolio Choice with Ambiguity about Stochastic Volatility**João Correia-da-Silva, Gonçalo Faria and Cláudia Ribeiro, *Universidade do Porto*Discussant: Jerome Detemple, *Boston University***2) I/N and Long Run Optimal Portfolios: Results for Mixed Asset Menus**Carolina Fugazza, Massimo Guidolin and Giovanna Nicodano, *Centre for Research on Pensions and Welfare Policies, Manchester Business School and University of Turin*Discussant: Gonçalo Faria, *Universidade do Porto***3) Optimal Portfolio Allocations with Hedge Funds**Jerome Detemple, Rene Garcia and Marcel Rindisbacher, *EDHEC Business School and Boston University*Discussant: Giovanna Nicodano, *University of Turin*

Friday, 11:00–12:30

INTERNATIONAL FINANCE & MONEY 3

IF 3

CDS AND BOND RISK PREMIA (HZ 10)Chair: Richard Stehle, *Humboldt University Berlin*

- 1) **The Janus-Headed Salvation: Sovereign and Bank Credit Risk Premia during 2008–09**
Jacob Ejsing and **Wolfgang Lemke**, *European Central Bank*
Discussant: Henrik Hasseltoft, *University of Zurich*
- 2) **Default Risk of Advanced Economies: An Empirical Analysis of Credit Default Swaps during the Financial Crisis**
Stephan Dieckmann and Thomas Plank, *Wharton School and University of Pennsylvania*
Discussant: Per Östberg, *Norwegian School of Economics and Business Administration*
- 3) **International Bond Risk Premia**
Magnus Dahlquist and **Henrik Hasseltoft**, *Stockholm School of Economics and University of Zurich*
Discussant: Mikhail Chernov, *London Business School*

Friday, 11:00–12:30

PANEL SESSION 2

PS 2

FUTURE OF FINANCIAL REGULATION (HZ 2)Chair: **Hans-Helmut Kotz**, *Center for Financial Studies, Goethe University Frankfurt***Participants:**

Jörg Asmussen, *Secretary of State, Ministry of Finance, Germany*
 Christian Sewing, *Chief Credit Officer, Deutsche Bank*
 Christina Bannier, *Frankfurt School of Finance & Management*
 Thomas Jordan, *Vice-Governor, Swiss National Bank, Zürich*
Please refer to page 56 for further information on this session.

BI 6

FINANCIAL INTEGRATION: BANKING (HZ 3)Chair: Reint Gropp, *European Business School***1) Interbank Market Integration, Loan Rates, and Firm Leverage**Steven Ongena and Alexander Popov, *CentER, Tilburg University* and *European Central Bank*Discussant: Christophe Spaenjers, *CentER, Tilburg University***2) Financial Integration and Liquidity Crises**Fabio Castiglionesi, Fabio Feriozzi and Guido Lorenzoni, *CentER, Tilburg University* and *MIT Sloan School of Management*Discussant: Andreas Pfingsten, *University of Muenster***3) (Inter-state) Banking and (Inter-state) Trade: Does Real Integration Follow Financial Integration?**Tomasz Michalski and Evren Örs, *HEC Paris*Discussant: Yrjö Koskinen, *Boston University*

APE 6

VOLATILITY AND STOCK RETURNS (HZ 4)Chair: Michael Johannes, *Columbia Business School***1) What Ties Return Volatilities to Price Valuations and Fundamentals?**Alexander David and Pietro Veronesi, *University of Calgary* and *Chicago Booth School of Business*Discussant: Vladimir Sokolov, *ICEF – Higher School of Economics***2) Stochastic Idiosyncratic Volatility, Portfolio Constraints, and the Cross-Section of Stock Returns**Oliver Boguth, *University of British Columbia*Discussant: Stephen Figlewski, *Stern School of Business, New York University***3) Market Skewness Risk and the Cross-Section of Stock Returns**Bo-Young Chang, Peter Christoffersen and Kris Jacobs, *McGill University*Discussant: Fabio Moneta, *Queen's University, CA*

Friday, 11:00–12:30

CORPORATE FINANCE EMPIRICAL 6

CFE 6

PRIVATE EQUITY AND LEVERAGED BUYOUTS (HZ 6)Chair: Roman Kraeusel, *VU University Amsterdam***1) Did Structured Credit Fuel the LBO Boom?**Anil Shivdasani and Yihui Wang, *UNC Kenan-Flagler Business School* and *Chinese University of Hong Kong*Discussant: Sascha Steffen, *University of Mannheim***2) Hedge Funds and Shareholder Wealth Gains in Leveraged Buyouts**Jiekun Huang, *National University of Singapore*Discussant: Wolfgang Bessler, *Justus-Liebig-University Giessen***3) Contract Characteristics and the Returns of Private Equity Investments**Stefano Caselli, Emilia Garcia Appendini and Filippo Ippolito, *Università Bocconi*Discussant: Jiekun Huang, *National University of Singapore*

Friday, 11:00–12:30

CORPORATE FINANCE THEORETICAL 3

CFT 3

FINANCING INNOVATION (HZ 7)Chair: Mike Burkart, *Stockholm School of Economics***1) Financing Risk and Bubbles of Innovation**Ramana Nanda and Matthew Rhodes-Kropf, *Harvard Business School*Discussant: Ulrich Hege, *HEC Paris***2) Incentives to Innovate and the Decision to Go Public or Private**Daniel Ferreira, Gustavo Manso and Andre Silva, *London School of Economics, MIT Sloan School of Management* and *Universidade Nova de Lisboa*Discussant: Christian Keuschnigg, *University of St.Gallen***3) Profit Taxation, Innovation and the Financing of Heterogeneous Firms**Christian Keuschnigg and Evelyn Ribi, *University of St.Gallen*Discussant: Matthew Rhodes-Kropf, *Harvard Business School*

DETAILED ACADEMIC PROGRAM

CORPORATE GOVERNANCE 3

Friday, 11:00–12:30

CG 3

BOARD OF DIRECTORS (HZ 8)

Chair: Josef Zechner, *Vienna University of Economics and Business*

1) The Changing of the Boards

Kenneth Ahern and Amy K Dittmar, *University of Michigan*
Discussant: Iness Aguir, *University of Texas at San Antonio*

2) Does Director Liability Matter?

Iness Aguir, Natasha Burns, Sattar A. Mansi and John Wald,
University of Texas at San Antonio and Virginia Tech University
Discussant: Amy K Dittmar, *University of Michigan*

3) Corporate Governance and Value Creation: Evidence from Private Equity

Viral Acharya, Moritz Hahn and Conor Kehoe,
Stern School of Business, New York University, Ludwig Maximilian University Munich and McKinsey & Company
Discussant: Morten Bennesen, *INSEAD*

BEHAVIORAL FINANCE 1

Friday, 11:00–12:30

BF 1

HOUSEHOLD PORTFOLIO CHOICE (HZ 9)

Chair: Loriana Pelizzon, *University of Venice*

1) Participation Constraints in the Stock Market: Evidence from Unexpected Inheritance Due to Sudden Death

Steffen Andersen and Kasper Meisner Nielsen, *Copenhagen Business School and Hong Kong University of Science and Technology*
Discussant: Samuli Knüpfer, *London Business School*

2) Nature or Nurture: What Determines Investor Behavior?

Amir Barnea, Henrik Cronqvist and Stephan Siegel,
Claremont McKenna College and University of Washington
Discussant: Günter Franke, *University of Konstanz*

3) From Customers to Shareholders: The Effect of Product Market Choices on Investment Decisions

Matti Keloharju, Samuli Knüpfer and Juhani Linnainmaa,
Aalto University School of Economics, London Business School and Chicago Booth School of Business
Discussant: Amir Barnea, *Claremont McKenna College*

Friday, 14:00–15:30

INTERNATIONAL FINANCE & MONEY 4

IF 4

**HOME BIAS AND FINANCIAL
INTEGRATION (HZ 10)**Chair: Beni Lauterbach, *Bar Ilan University***1) The Foreign Firm Discount**Laurent Frésard and Carolina Salva, *HEC Paris* and
*University of Neuchâtel*Discussant: Christian Lundblad, *UNC Kenan-Flagler Business School***2) Home Bias Revisited**Geert Bekaert and Xiaozheng Wang, *Columbia Business School*
and *Criterion Economics*Discussant: Piet Sercu, *K.U.Leuven***3) Asset Fire Sales and Purchases and the International
Transmission of Financial Shocks**Chotibhak Jotikasthira, Christian Lundblad and Tarun Ramadorai,
UNC Kenan-Flagler Business School and *University of Oxford*Discussant: Stephan Dieckmann, *Wharton School,*
University of Pennsylvania

Friday, 14:00–15:30

PANEL SESSION 3

PS 3

**TRANSACTION TAXES AND SHORT-
SELLING RESTRICTIONS:
STABILITY TOOLS OR DANGEROUS
POPULISM? (HZ 2)**Chair: Harald Hau, *INSEAD***Participants:**Richard Portes, *Professor of Economics, London Business School,* and
*President, CEPR, London*Carlos Tavares, *Vice-Chair, Committee of European Security Regulators,*
*Frankfurt*Albert Menkveld, *Professor of Finance, University of Amsterdam*Maria Vassalou, *Global Portfolio Manager, SAC Capital Advisors**Please refer to page 56 for further information on this session.*

BI 7

FINANCIAL INSTITUTIONS, SYSTEMIC RISK AND THE FINANCIAL CRISIS (HZ 3)Chair: Frank De Jong, *CentER, Tilburg University***1) Macroprudential Capital Requirements and Systemic Risk**Celine Gauthier, Alfred Lehar and Moez Souissi, *Bank of Canada* and *University of Calgary*Discussant: Alexander Schulz, *Deutsche Bundesbank***2) Were Bank Bailouts Effective during the 2007–2009 Financial Crisis? Evidence from Counterparty Risk in the Global Hedge Fund Industry**Robert W. Faff, Jerry T. Parwada and Kian M. Tan, *University of Queensland, Australia* and *University of New South Wales*Discussant: Kasper Roszbach, *Sveriges Riksbank***3) Does Financial Experience Help Banks during Credit Crises?**Eliezer Fich and Fernandes Nuno, *Drexel University* and *IMD Lausanne*Discussant: Lars Norden, *Rotterdam School of Management, Erasmus University*

APE 7

BOND RISK PREMIA (HZ 4)Chair: Bruce Grundy, *University of Melbourne***1) Is there a Distress Risk Anomaly?****Corporate Bond Spread as a Proxy for Default Risk**Deniz Anginer and Celim Yildizhan, *World Bank* and *University of Michigan*Discussant: Lukas Schmid, *Duke University***2) Term Spread and Primary Bond Dealers?****Behavior at the Fed's Repo Auctions**Vladimir Sokolov, *ICEF – Higher School of Economics*Discussant: Bo-Young Chang, *McGill University***3) Credit Default Swap Spreads and Variance Risk Premia**Hao Wang, Hao Zhou and Yi Zhou, *Tsinghua University, Beijing*, *Federal Reserve Board* and *University of Oklahoma*Discussant: Marliese Uhrig-Homburg, *Karlsruhe Institute of Technology*

Friday, 14:00–15:30

CORPORATE FINANCE EMPIRICAL 7

CFE 7 **THOMSON REUTERS SPECIAL SESSION
ON MERGERS AND ALLIANCES (HZ 6)**Chair: Erik Theissen, *University of Mannheim***1) Liquidity Mergers**Heitor Almeida, Murillo Campello and Dirk Hackbarth,
*University of Illinois*Discussant: Michael J. Schill, *University of Virginia***2) The Price of Growth: Evidence of the Pedestrian Nature
of Post-Merger Returns**Sandra Mortal and Michael J. Schill, *University of Memphis*
and *University of Virginia*Discussant: Elvira Sojli, *Rotterdam School of Management, Erasmus University***3) Alliances and Corporate Governance**Andriy Bodnaruk, Massimo Massa and Andrei Simonov,
*University of Notre Dame, INSEAD and Michigan State University*Discussant: Issam Hallak, *Università Bocconi**Please refer to page 57 for further information on this session.*

Friday, 14:00–15:30

CORPORATE FINANCE THEORETICAL 4

CFT 4 **CORPORATE GOVERNANCE (HZ 7)**Chair: Matthew Rhodes-Kropf, *Harvard Business School***1) Consensus, Control and Corporate Boards**Archishman Chakraborty and Bilge Yilmaz, *York University,*
*Wharton School and University of Pennsylvania*Discussant: Jongsub Lee, *Stern School of Business, New York University***2) Monopolistic Competition, Managerial Incentives,
and the Distribution of Firms in General Equilibrium**Jose Plehn-Dujowich and Ajay Subramanian, *Temple University*
and *Georgia State University*Discussant: Daniel Ferreira, *London School of Economics***3) Corporate Finance in Family Business Groups**Jongsub Lee, *Stern School of Business and New York University*Discussant: Bilge Yilmaz, *Wharton School, University of Pennsylvania*

DETAILED ACADEMIC PROGRAM

CORPORATE GOVERNANCE 4

Friday, 14:00–15:30

CG 4

CORPORATE VOTING AND CONTROL (HZ 8)

Chair: David Yermack, *Stern School of Business, New York University*

1) The Vote is Cast: The Effect of Corporate Governance on Shareholder Value

Vicente Cunat, *Mireia Gine* and Maria Guadalupe, *London School of Economics, Wharton School, University of Pennsylvania and Columbia Business School*

Discussant: Zacharias Sautner, *Amsterdam Business School*

2) Spillover Effects in the Market for Corporate Control

Kose John and *Dalida Kadyrzhanova*, *Stern School of Business, New York University and University of Maryland*

Discussant: Mireia Gine, *Wharton School, University of Pennsylvania*

3) Corporate Governance and Internal Capital Markets

Zacharias Sautner and Belen Villalonga, *Amsterdam Business School and Harvard Business School*

Discussant: Daniel Metzger, *London School of Economics*

BEHAVIORAL FINANCE 2

Friday, 14:00–15:30

BF 2

INVESTOR BIASES AND PERFORMANCE (HZ 9)

Chair: Bruno Gerard, *BI Norwegian School of Management*

1) Do Smart Investors Outperform Dumb Investors?

Mark Grinblatt, *Matti Keloharju* and Juhani Linnainmaa, *UCLA Anderson School of Management, Aalto University School of Economics and Chicago Booth School of Business*

Discussant: Oliver Spalt, *CentER, Tilburg University*

2) A Test of the Self-Serving Attribution Bias: Evidence from Mutual Funds

Darwin Choi and Dong Lou, *Hong Kong University of Science and Technology and London School of Economics*

Discussant: Anna Scherbina, *UC Davis*

3) Don't Confuse Brains with a Bull Market: Attribution Bias, Market Condition, and Trading Behavior of Individual Investors

Zhen Shi and Na Wang, *Arizona State University*

Discussant: Matti Keloharju, *Aalto University School of Economics*

Friday, 16:00–17:00

KEYNOTE SPEECH (HZ 2)

Keynote Address: Douglas W. Diamond

Friday, 17:00–18:00

**GENERAL ASSEMBLY AND
AWARD CEREMONY (HZ 2)**

Chair: Jan P. Krahn

DETAILED ACADEMIC PROGRAM

FINANCIAL POLITICS, REGULATION & COMPETITION 4

Saturday, 09:00–10:30

FP 4

CONFLICTS OF INTEREST IN FINANCIAL INTERMEDIATION (HZ 10)

Chair: **Marti G. Subrahmanyam**, *Stern School of Business, New York University*

1) Conflicts of Interests in the Financial Analysis Industry: Why Did Europeans Get Mad?

Michel Georges Dubois, Pascal Dumontier and Laurent Frésard, *University of Neuchâtel, Université Pierre Mendès France Grenoble and HEC Paris*

Discussant: Philip Strahan, *Boston College*

2) Social Value of Information in a Levered Economy

Vito Gala and **Paolo Volpin**, *London Business School*

Discussant: Achim Hauck, *Heinrich-Heine University Düsseldorf*

3) Credit Ratings and the Evolution of the Mortgage-Backed Securities Market

Jie He, Jun Qian and Philip Strahan, *Boston College*

Discussant: Joel Shapiro, *University of Oxford*

BANKING & INSURANCE 4

Saturday, 09:00–10:30

BI 4

RELATIONSHIP BANKING (HZ 3)

Chair: **Jörg Rocholl**, *European School of Management and Technology*

1) Investment in Relationship-Specific Assets: Does Finance Matter?

Madina Kukenova and **Martin Strieborny**, *University of Lausanne*

Discussant: Michael Hertzel, *Arizona State University*

2) Bargaining Power and Information in SME Lending

Jens Grunert and Lars Norden, *University of Tübingen, Rotterdam School of Management and Erasmus University*

Discussant: Martin Brown, *Swiss National Bank*

3) Relationship Bank Behavior During Borrower Distress and Bankruptcy

Yan Li and Anand Srinivasan, *Korea University and National University of Singapore*

Discussant: Enrico Onali, *Bangor Business School*

Saturday, 09:00–10:30

ASSET PRICING EMPIRICAL 9

APE 9

**MACROECONOMIC CONDITIONS
AND ASSET PRICES (HZ 4)**Chair: Georgios Skoulakis, *University of Maryland***1) Credit Conditions and Expected Stock Returns**Sudheer Chava, Michael F. Gallmeyer and Heungju Park,
*Texas A&M University and University of Virginia*Discussant: Frederico Belo, *University of Minnesota***2) Earnings Expectations and Macroeconomic Conditions**Dieter Hess and Daniel Kreuzmann, *University of Cologne*Discussant: Sudheer Chava, *Texas A&M University***3) Financial Intermediation, Asset Prices, and
Macroeconomic Dynamics**Tobias Adrian, Emanuel Moench and Hyun Song Shin,
*Federal Reserve Bank of New York and Princeton University*Discussant: Dieter Hess, *University of Cologne*

Saturday, 09:00–10:30

FINANCIAL POLITICS, REGULATION & COMPETITION 1

FP 1

BANKS AND POLITICS (HZ 5)Chair: Arnoud Boot, *Amsterdam Business School***1) The Politics of Bank Looting**Michael Halling, Pegaret Pichler and Alex Stomper,
*University of Utah, Vienna Graduate School of Finance and
MIT Sloan School of Management*Discussant: Patrick Behr, *Goethe University Frankfurt***2) Political Capital and Moral Hazard**Leonard Kostovetsky, *University of Rochester*Discussant: Denis Sosyura, *University of Michigan***3) TARP Investments: Financials and Politics**Ran Duchin and Denis Sosyura, *University of Michigan*Discussant: Leonard Kostovetsky, *University of Rochester*

DETAILED ACADEMIC PROGRAM

CORPORATE FINANCE EMPIRICAL 8

Saturday, 09:00–10:30

CFE 8

MERGERS AND BREAKUPS (HZ 6)Chair: Dirk Hackbarth, *University of Illinois***1) The Value of CEOs' Industry Expertise – Evidence from Mergers & Acquisitions**Claudia Custodio and Daniel Metzger, *London School of Economics*Discussant: Xiaoyang Li, *University of Michigan***2) The Effect of Corporate Break-ups on Information Asymmetry: A Market Microstructure Analysis**

Florian Bardong, Soehnke M. Bartram and Pradeep Yadav,

*Barclays Global Investors, Lancaster University and**University of Oklahoma*Discussant: Karin Thorburn, *Norwegian School of Economics*and *Business Administration***3) The Impact of Merger on Workers**Xiaoyang Li, *University of Michigan*Discussant: Xianming Zhou, *University of Hong Kong*

BEHAVIORAL FINANCE 3

Saturday, 09:00–10:30

BF 3

BEHAVIORAL CORPORATE FINANCE (HZ 7)Chair: Günter Franke, *University of Konstanz***1) Does Managerial Optimism Lead to Long-Run Under-performance? Evidence from Venture Capital-Backed IPOs**Jean-Sebastien Michel, *HEC Montreal*Discussant: Kasper Meisner Nielsen, *Hong Kong University of Science and Technology***2) An Experimental Study On Real Option Strategies**

Abraham Bernstein, Marc Chesney and Mei Wang,

*University of Zurich*Discussant: Salvatore Miglietta, *BI Norwegian School of Management***3) Incentives and Relative-Wealth Concerns: Theory and Evidence**Salvatore Miglietta, *BI Norwegian School of Management*Discussant: Ingolf Dittmann, *Erasmus School of Economics*

Saturday, 09:00–10:30

CORPORATE GOVERNANCE 5

CG 5

CEO BEHAVIOUR AND INCENTIVES (HZ 8)Chair: Mariassunta Giannetti, *Stockholm School of Economics***1) To Each According to His Ability? A Cross-Sectional Analysis of the Market for CEO Talent**Antonio Falato, Dan Li and Todd Milbourn, *Federal Reserve Board* and *Washington University St Louis*Discussant: Josef Zechner, *Vienna University of Economics and Business***2) Market Timing and Managerial Talent**Amir Rubin and Alexander Vedrashko, *Simon Fraser University*Discussant: Antonio Falato, *Federal Reserve Board***3) Monitoring Managers: Does it Matter?**Francesca Cornelli, Zbigniew Kominek and Alexander Ljungqvist, *London Business School*, *European Bank for Reconstruction and Development*, *Stern School of Business* and *New York University*Discussant: Alexander Vedrashko, *Simon Fraser University*

Saturday, 09:00–10:30

ASSET MANAGEMENT 6

AM 6

LIFE-CYCLE INVESTING AND PENSION FUND DESIGN (HZ 9)Chair: Peter Schotman, *Maastricht University***1) Optimal Portfolio Choice over the Life-Cycle with Flexible Work, Endogenous Retirement, and Lifetime Payouts**Jingjing Chai, Wolfram Horneff, Raimond Maurer and Olivia Mitchell, *Goethe University Frankfurt*, *Wharton School* and *University of Pennsylvania*Discussant: Roel Mehlkopf, *CentER*, *Tilburg University***2) Life Cycle Asset Allocation in the Presence of Housing and Tax-Deferred Investing**Marcel Marekwica, Alexander Schaefer and Steffen Sebastian, *Copenhagen Business School*, *Goethe University Frankfurt* and *University of Regensburg*Discussant: Shingo Goto, *University of South Carolina***3) Intergenerational Risk Sharing under Endogenous Labor Supply**Roel Mehlkopf, *CentER* and *Tilburg University*Discussant: Marcel Marekwica, *Copenhagen Business School*

DETAILED ACADEMIC PROGRAM

INTERNATIONAL FINANCE & MONEY 5

Saturday, 11:00–12:30

IF 5

MONETARY POLICY, ASSET MARKETS AND BANKS (HZ 10)Chair: Yrjö Koskinen, *Boston University***1) On Monetary Policy and Stock Market Anomalies**Alexandros Kontonikas and **Alexandros Kostakis**,
*University of Glasgow*Discussant: Federico Gavazzoni, *Carnegie Mellon University***2) Does Monetary Policy Affect Bank Risk-Taking?**Yener Altunbas, Leonardo Gambacorta and **David Marques**,
*Bangor Business School, Bank for International Settlements and
European Central Bank*Discussant: Alexandros Kostakis, *University of Glasgow***3) Monetary Policy and the Uncovered Interest Rate Parity Puzzle**David Backus, **Federico Gavazzoni**, Chris Telmer and Stan Zin,
*Carnegie Mellon University, Stern School of Business and
New York University*Discussant: Tommaso Mancini-Griffoli, *Swiss National Bank*

BANKING & INSURANCE 8

Saturday, 11:00–12:30

BI 8

AGENCY (HZ 3)Chair: Mark Wahrenburg, *Goethe University Frankfurt***1) Managerial Compensation in the Financial Industry****Felix Suntheim**, *Università Bocconi*Discussant: Paul Ehling, *BI Norwegian School of Management***2) Some Like It Safe: Agency and Corporate Purchase of Insurance****Paul Ehling**, Avner Kalay and Shagun Pant, *BI Norwegian School
of Management, University of Utah and Texas A&M University*Discussant: Felix Suntheim, *Università Bocconi***3) Incentives and Tranche Retention in Securitisation: A Screening Model**Ingo Fender and **Janet Mitchell**, *Bank for International Settlements
and National Bank of Belgium*Discussant: Fabio Castiglionesi, *CentER, Tilburg University*

Saturday, 11:00–12:30

ASSET PRICING EMPIRICAL 8

APE 8

ANOMALIES (HZ 4)Chair: Christian Schlag, *Goethe University Frankfurt***1) Complicated Trades**Lauren Cohen and **Dong Lou**, *Harvard Business School* and *London School of Economics*Discussant: Alan Guoming Huang, *University of Waterloo***2) The Accrual Volatility Anomaly**Sati Bandyopadhyay, **Alan Guoming Huang** and Tony Wirjanto, *University of Waterloo*Discussant: Dong Lou, *London School of Economics***3) Connected Stocks**Miguel Anton and **Christopher Polk**, *London School of Economics*Discussant: Andriy Bodnaruk, *University of Notre Dame*

Saturday, 11:00–12:30

ASSET PRICING THEORETICAL 3

APT 3

NEW APPROACHES (HZ 5)Chair: Claus Munk, *Aarhus University***1) A General Theory of Markovian Time Inconsistent Stochastic Control Problems**Tomas Björk and **Agatha Valentina Murgoci**, *Stockholm School of Economics* and *Copenhagen Business School*Discussant: Paolo Porchia, *University of St.Gallen***2) Risk Price Dynamics****Jaroslav Borovicka**, Lars Peter Hansen, Mark Hendricks and Jose Scheinkman, *University of Chicago* and *Princeton University*Discussant: Agatha Valentina Murgoci, *Copenhagen Business School***3) Learning and Rare Disasters in the Lucas Orchard**Andrea Buraschi, **Paolo Porchia** and Fabio Trojani, *Imperial College London*, *University of St.Gallen* and *University of Lugano*Discussant: Jaroslav Borovicka, *University of Chicago*

DETAILED ACADEMIC PROGRAM

CORPORATE FINANCE EMPIRICAL 9

Saturday, 11:00–12:30

CFE 9

CAPITAL STRUCTURE (HZ 6)Chair: Morten Bennesen, *INSEAD***1) Competition and the Cost of Debt**Philip Valta, *École Polytechnique Fédérale de Lausanne*Discussant: Filippo Ippolito, *Università Bocconi***2) Debt Structure and Debt Specialization**Paolo Colla, Filippo Ippolito and Kai Li, *Università Bocconi*
and *University of British Columbia*Discussant: Philip Valta, *École Polytechnique Fédérale de Lausanne***3) Labor and Capital: Is Debt a Bargaining Tool?**Eleni Simintzi, Vikrant Vig and Paolo Volpin, *London Business School*Discussant: Bang Dang Nguyen, *Chinese University of Hong Kong*

BEHAVIORAL FINANCE 4

Saturday, 11:00–12:30

BF 4

**INVESTOR BEHAVIOR AND ASSET
PRICES (HZ 7)**Chair: Matti Keloharju, *Aalto University School of Economics***1) The Persistent Effects of a False News Shock**Carlos Carvalho, Nicholas Klagge and Emanuel Moench,
*Federal Reserve Bank of New York*Discussant: Peter Ockenfels, *Goethe University Frankfurt***2) Penny Wise, Dollar Foolish: The Left-Digit Effect
in Security Trading**Utpal Bhattacharya, Craig W. Holden and Stacey Jacobsen,
*Kelley School of Business*Discussant: Darwin Choi, *Hong Kong University of Science and
Technology***3) Investor Clienteles and Habitat-Based Return
Comovements**Alok Kumar, Jeremy Page and Oliver Spalt, *University of Texas
at Austin, CentER and Tilburg University*Discussant: Stephan Siegel, *University of Washington*

Saturday, 11:00–12:30

DESIGN OF MARKETS & MARKET MICROSTRUCTURE 4

DM 4

**MARKET MICROSTRUCTURE:
THEORY (HZ 8)**Chair: Hans Degryse, *CentER, Tilburg University***1) Liquidity and Information in Order Driven Markets**Ioanid Rosu, *Chicago Booth School of Business*Discussant: Giovanni Cespa, *Queen Mary University of London***2) Higher Order Expectations, Rational Confusion,
and Short Term Trading**Giovanni Cespa and Xavier Vives, *Queen Mary University of London*
and *University of Navarra*Discussant: Ioanid Rosu, *Chicago Booth School of Business***3) Internalization, Clearing and Settlement, and
Stock Market Liquidity**Hans Degryse, Mark Van Achter and Gunther Wuyts,
CentER, Tilburg University, University of Mannheim and
*Katholieke Universiteit Leuven*Discussant: Sarah Draus, *Université Paris-Dauphine*

Saturday, 11:00–12:30

ASSET MANAGEMENT 7

AM 7

**PRACTICAL ISSUES ON PORTFOLIO
OPTIMIZATION (HZ 9)**Chair: Ian Cooper, *London Business School***1) Improving Portfolio Selection Using Option-Implied
Volatility and Skewness**Victor DeMiguel, Yuliya Plyakha, Raman Uppal and Grigory Vilkov,
London Business School and *Goethe University Frankfurt*Discussant: Peter Schotman, *Maastricht University***2) On Mean Variance Portfolio Optimization: Improving
Performance Through Better Use of Hedging Relations**Shingo Goto and Yan Xu, *University of South Carolina* and
*University of Rhode Island*Discussant: Raman Uppal, *London Business School***3) Long-Term Strategic Asset Allocation:
An Out-Of-Sample Evaluation**Bart Franciscus Diris, Franz Palm and Peter Schotman,
*Maastricht University*Discussant: Yuliya Plyakha, *Goethe University Frankfurt*

Panel Sessions

Panel Sessions are devoted to an open discussion of highly relevant policy issues; its participants are high profile personalities from academia, industry and politics, invited to participate in the session.

Bank Resolution

Thursday, August 26, 16:00–17:30, HZ 2

Session Chair: Jan Pieter Krahen, *Professor of Finance, Goethe University Frankfurt, and Director, Center for Financial Studies, House of Finance*

Participants:

Douglas Diamond, *Merton H. Miller Distinguished Service Professor of Finance* and George P. Shultz *Faculty Fellow, Booth School of Business, University of Chicago*

Robert L. McDonald, *Erwin P. Nemmers Professor of Finance, Kellogg School of Management, Northwestern University*

Marti G. Subrahmanyam, *Charles E. Merrill Professor of Finance, Stern School of Business, New York University*

Luis Viceira, *George E. Bates Professor of Finance, Harvard Business School*

In this session, eminent researchers will discuss alternative ways to address moral hazard in banking, and how to re-introduce restructuring as a viable option for systemically important banks –even large institutions. The session will address the pros and cons of contingent capital as a new financial instrument, the difficulties emanating from

bank wind-downs when the distressed institutions have large derivative positions, and the impact of large bank failures on liquidity and prices in capital markets.

Future of Financial Regulation

Friday, August 27, 11:00–12:30, HZ 2

Session Chair: Hans-Helmut Kotz, *Professor of Economics and Senior Fellow, Center for Financial Studies, House of Finance*

Participants:

Jörg Asmussen, *Secretary of State, Ministry of Finance, Germany*

Christian Sewing, *Chief Credit Officer, Deutsche Bank*

Thomas Huertas, *Director, Financial Services Authority, London*

Thomas Jordan, *Vice-Governor, Swiss National Bank, Zürich*

Regulatory authorities are internationally engaged in a re-design of the rules of the game for financial institutions and financial markets. The panel will address these issues from three perspectives: an analytical angle (taking account of the micro- as well as the systemic dimension), the rule-making and international coordination viewpoint and, finally, possible responses of major market participants.

Transaction Taxes and Short-Selling Restrictions: Stability Tools or Dangerous Populism?

Friday, August 27, 14:00–15:30, HZ 2

Session Chair: Harald Hau, *Associate Professor of Finance, INSEAD*

Participants:

Richard Portes, *Professor of Economics, London Business School, and President, CEPR*

Carlos Tavares, *Vice-Chair, Committee of European Security Regulators*

Albert Menkveld, *Associate Professor of Finance, University of Amsterdam*

Maria Vassalou, *Global Portfolio Manager, SAC Capital Advisors*

Following a global banking crisis and ongoing concerns about sovereign default, political pressure in Europe is increasingly directed towards financial transaction taxes and short sales constraints. A panel of financial market specialists surveys the available scientific evidence on the consequences of such measures for market efficiency and discusses their repercussions for financial stability in general.

Special Sessions

Special Sessions are sessions within the academic program having a supporting partner.

ECB Special Session on Liquidity, Imbalances and Systemic Risk

Friday, August 27, 9:00–10:30, HZ 10

Session Chair: Alex Stomper, *Professor of Finance, Sloan School of Management, Massachusetts Institute of Technology*

Responsible at ECB: Philipp Hartmann

One major lesson of the present crisis is that systemic risks have to be much better understood and contained. Liquidity problems are one of the major channels through which systemic events can emerge and where countervailing measures by central banks and regulatory authorities may be called for. This session features three research papers analysing the role of liquidity problems in systemic risk, including how policy interventions affect liquidity holdings of financial intermediaries, how widespread liquidity imbalances can emerge and what the relevance of liquidity holdings are for how a crisis may propagate across the system.

SAC Special Session on Expected Stock Returns

Friday, August 27, 9:00–10:30, HZ 4

Session Chair: Maria Vassalou, *Global Portfolio Manager, SAC Capital Advisors*

As new technologies enable market participants to react to new information with increasing rapidity, tight spreads and highly

coupled markets may cause equity prices to swiftly and efficiently reflect new information. Nonetheless, many puzzles remain in explaining expected stock returns. This session, sponsored by SAC Capital, will highlight new research in equity market pricing anomalies.

Thomson Reuters Special Session on Mergers and Alliances

Friday, August 27, 14:00–15:30, HZ 6

Session Chair: Erik Theissen, *Professor of Finance, University of Mannheim*

Despite a very large number of academic papers, both the causes and the consequences of corporate mergers and alliances are far from being fully understood. This session, sponsored by Thomson Reuters, offers important new insights. The first paper argues that mergers may be a way to avoid inefficient liquidations. The second paper shows empirically that mergers are not different from organic growth strategies in terms of their post-event returns. The third paper shows that both the formation and the value creation by alliances is related to corporate governance.

Awards Ceremony

At the EFA Annual Meeting (August 25–28, 2010) the winners of the awards are announced after the keynote speech, during the plenary session on August 27 from 5 pm onwards. The award ceremonies will be organized by the Program Chair, Jan P. Krahn. Plaques and prizes will be presented to the authors of the award-winning papers.



Goldman Sachs International – Best Conference Paper Award

The Best Conference Paper Prize is the highest distinction awarded for an academic paper during the 37th Annual EFA Meeting (the “Conference”). The award is supported by Goldman Sachs International.

All papers included in the final conference program are eligible for the award. They thus have all been subject to an intensive pre-selection process, involving the EFA conference refereeing process. The final paper selection will be from the best-rated papers in all tracks.

Committee:

Kristian Miltersen, *EFA 2010 President*, Jan P. Krahnert, *Program Chair of the EFA 2010 Annual Meeting* and Philip Holzer, *Deputy Head of the German Region of Goldman Sachs International*.

Deutsche Bank Prize in Financial Economics *Review of Finance* – Best Paper Award

The Deutsche Bank Prize in Financial Economics Review of Finance – Best Paper Award is one of the highest distinctions awarded for an academic paper in Europe. The prize will be handed over at the EFA 2010 annual meeting.

The Deutsche Bank Prize in Financial Economics and the Review of Finance – Best Paper Award are donated by the Stiftungsfonds Deutsche Bank im Stifterverband für die Deutsche Wissenschaft*.

The Review of Finance, the official journal of the European Finance Association, is the leading academic finance journal in Europe. It aims at a wide circulation and high visibility in the professional fields of finance (link to the RoF: <http://www.revfin.org/>). The RoF is available in all major libraries located in economics departments and business schools around the world. EFA members, including authors submitting papers to the EFA Annual Meeting, are entitled to receive a one-year personal subscription to the RoF as part of their annual EFA membership. The Best Paper Award is awarded annually for the top three papers in the RoF.

Committee:

The winning papers are chosen by the Associate Editors and the Coeditors of The Review of Finance. The board of editors is listed under the link: http://www.oxfordjournals.org/our_journals/rof/editorial_board.html.

The papers eligible for the Review of Finance – Best Paper Award for a given year are all those which appeared in the previous 4 issues, i.e., the first two issues of that year and the last two issues of the previous year.

*Deutsche Bank Donation Fund in the Donor's Association for German Science

EFA – Best Conference Paper Award written by a Doctoral Student

The EFA will award for the best paper on the conference program written by doctoral student(s). The Committee consists of three members of the Executive Committee of the European Finance Association: Kristian Miltersen, *chair and current EFA president*, Lorian Pelizzon, *Professor in Economics, University of Venice* and Ingrid Werner, *EFA 2011 program chair*.

NASDAQ OMX Prize for the Best Doctoral Tutorial Paper

The best paper presented at the EFA/ EIASM Doctoral Tutorial (preceding the main conference) will be recognized with the NASDAQ OMX Prize for the Best Doctoral Tutorial Paper. This prize is sponsored by NASDAQ OMX is sponsored by [Nasdaq/ OMX](#).

The best paper in 2010 will be selected by the faculty at the Doctoral Tutorial on Wednesday, August 25 in Frankfurt. The winner will also be awarded the [CQA](#) (Chicago Quantitative Alliance) Prize and invited to present the paper at their annual conference in September.

Commonfund Prize on Endowment and Foundation Management

The best paper on foundation and endowment asset management presented at the EFA Meeting will be recognized with the Commonfund Prize. This prize is supported by [Commonfund](#).

Committee:

Elroy Dimson, *Chair; Professor of Finance, Governor, London Business School*, Will Goetzmann, *Professor of Finance and Management Studies, Yale School of Management* and Jan Krahnert, *Program Chair of the EFA 2010 Annual Meeting*.

LECG Prize for Best Paper in Corporate Finance

The best paper on Corporate Finance presented at the EFA Meeting will be recognized with the LECG Best Paper Prize. This prize is supported by LECG. All empirical and theoretical papers in corporate finance presented at EFA are eligible for the Prize.

Committee:

The LECG Prize Committee is chaired by Pradeep Yadav, *Johnston Chair and Professor of Finance, University of Oklahoma*. The other members of the Prize Committee this year are Ilya Strebulaev, *Assistant Professor, Stanford University*, Krishnamurthy Subramanian, *Assistant Professor, Indian School of Business* and Bill Megginson, *Rainbolt Chair and Professor of Finance, University of Oklahoma*.

Past President Awards

The European Finance Association (EFA) and the Chair of this year's Nominating Committee is delighted to present the awards in honour of the role as a previous EFA President.

Friday, from 17:00 onwards

Welcome Reception – sponsored by Frankfurt Main Finance

The welcome reception is included in the registration fee, also for accompanying persons.

The event will take place at the **Alte Oper, Restaurant Opéra, Opernplatz 1, starting at 19:00**. The opening address will be held at 20:00 by Jan Pieter Krahn, *Program Chair of the EFA 2010 annual meeting* and Dr. Lutz Raettig, *Spokesman for the Executive Committee of Frankfurt Main Finance and Chairman of the Supervisory Board of Morgan Stanley Bank AG in Frankfurt.*

On-site registration will be available during the Welcome Reception and on the conference days at the House of Finance, Campus Westend.

The Opéra is set in the impressive surroundings of the Old Foyer and is a culinary hub in the centre of Frankfurt. The Opéra balcony is the ideal place for offering views of the Opernplatz and Frankfurt's skyline.



HOW TO GET THERE:

The Opernplatz is in walking distance (5–10 minutes) from most of the hotels.

It is also highlighted in the Frankfurt map on the last page of the brochure.

The subway train (U-Bahn) **U6** and **U7** also takes you directly to the Opernplatz.

From Hauptbahnhof, the main train station, take any subway train (S-Bahn) **S2, 3, 4, 5, 6** for only 1 stop to Taunusanlage. Then walk on Mainzer Landstraße to Opernplatz.

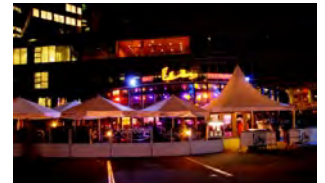
Thursday, from 20:00 onwards

Get Together

The get together is not included in the registration fee.

We are happy to invite you for an informal get together at the **Living XXL Restaurant & Bar, Kaiserstraße 29**, on the evening of Thursday, August 26, 2010 **from 20:00 onwards**.

The Living XXL Restaurant & Bar is located in the heart of Frankfurt, on the ground floor of the Eurotowers, "headquarter of the European Central Bank", directly across from the stage theater "Das Schauspielhaus" at Willy-Brandt-Platz.



HOW TO GET THERE:

The Living XXL is in walking distance (5–10 minutes) from most of the hotels.

The subway train (U-Bahn) **U1, U2, U3, U4** and **U5** also takes you directly to the Willy-Brandt-Platz. From there just follow the signs with the direction to ECB building.

Friday, 20:00

Conference Dinner

Please note that the conference dinner is not included in the registration fee. Both delegates and accompanying persons must pre-purchase tickets to join the dinner. The fee is €50 for delegates as well as for accompanying persons.

We are happy to invite you to join us for the conference dinner at the **Casino building at Campus Westend** on the night of Friday, August 27.

We are delighted to announce that the dinner speech will be held by **Otmar Issing**.

Professor Issing is President of the Center for Financial Studies and Chairman of the Advisory Board of the House of Finance, Goethe University Frankfurt. He is Chairman of the group of experts advising the German Government on reforms in financial architecture and International Advisor to Goldman Sachs International.

Otmar Issing was member of the High Level Expert Group on EU financial supervision (De Larosière Group). As a former member of the Executive Board of the European Central Bank Professor Issing was responsible for the Directorates General Economics and Research. Before he was a member of the Board of the Deutsche Bundesbank with a seat in the Central Bank Council.

The dinner **starts at 20:00** with a welcome drink at the foyer of the Casino.

The Casino, one of the Poelzig Buildings, is not only a location for academic activities but also a unique location for exclusive events in Frankfurt. For further information on the history of the IG Farben Building or the Poelzig Building please take a look on the following link:

http://en.wikipedia.org/wiki/IG_Farben_Building



HOW TO GET THERE:

XXX

Conference Venue

The EFA 2010 annual meeting will be held at Campus Westend, which is part of Goethe University Frankfurt. Build by the famous architect Hans Poelzig the whole area was enlarged and upgraded with additional buildings as the House of Finance or the new lecture hall building.



Address:
Grüneburgplatz 1, 60323 Frankfurt.
Email: info@efa2010.org

HOW TO GET TO THE VENUE:

Public Transportation

In the conference bag delegates will find a personal card for the use of all public transportation in the whole Frankfurt/Rhine-Main area from 25.–28. Aug. 2010.

Several subway and bus lines depart frequently and several stops are near every hotel. For further information a map will also be included in the conference bag.

Taxi

Taxis are located at several designated places in the city. Also you can ask the front desk of the hotel to order you one. A taxi ride from the hotels to Campus Westend takes about 5 to 10 minutes and costs around 10–15 Euro.

A taxi ride from/to the airport to Campus Westend takes about 20 to 30 minutes and costs around 25 to 30 Euro.

Frankfurt Taxis: +49 69 25 00 01 and +49 69 23 00 01

On a nice day delegates may choose to walk. Depending on the hotel's location the walking distance varies between 15 and 40 minutes.

Wednesday, from 19:00 onwards

Registration

Please note that the EFA 2010 registration desk will operate at the official welcome reception on **Wednesday, August 25, from 19:00 onwards** and during the conference at the House of Finance with the following opening hours:

Wed., Aug. 25, 14:00–17:00

Thu., Aug. 26, 8:00–15:00

Fri., Aug. 27, 8:00–15:00

Sat., Aug. 28, 8:00–11:00

Registration includes following items:

- EFA yearly membership
- Welcome package
- Admission to all conference sessions
- Coffee breaks
- Lunches on Thursday, Friday and Saturday
- Welcome Reception on Wednesday (drinks and food included)
- Personal public transportation card

Registration does not include the fee for the conference dinner at August 27 of €50.

Presentations

All speakers are kindly asked to bring their presentations on a USB flash drive. Additionally, we recommend that speakers have internet access to their presentation (e.g. via email). The speakers should seek their respective presentation location 15 minutes before the start of the session.

Assistance

Contact one of volunteers if you need help of any kind. They will all be wearing blue T-Shirts with an EFA-logo.

Internet

We offer personalized user accounts for the delegates with access to the university's WLAN. The accounts are for free and available at the registration and information desk at the House of Finance.

Badges

The delegate personal badge is the entrance ticket to all conference sessions and lunches; thus participants are kindly requested always to wear their badge. In case of loss of badge, the conference reception should be contacted

Conference Management

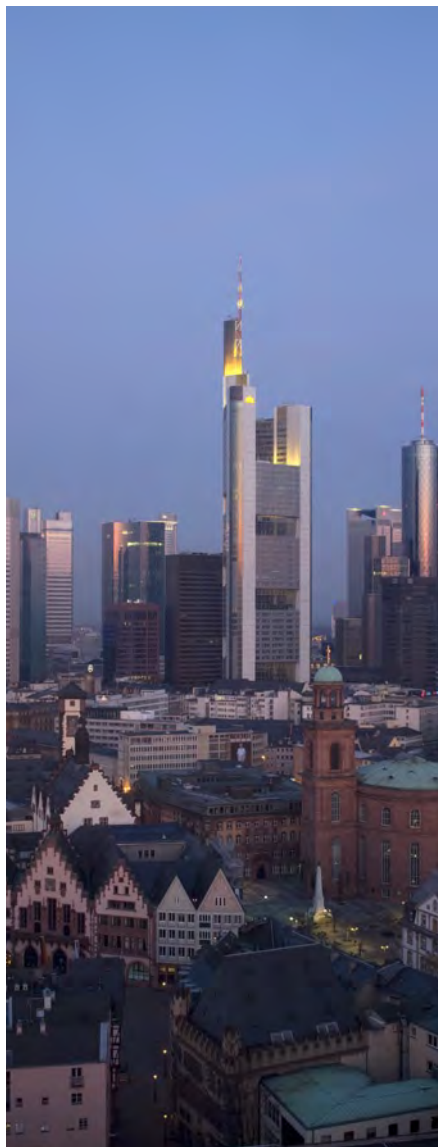
The conference is managed by Sabine Kimmel, *Project Manager* and Zoe Tselidakis, *Program Manager*.

info@efa2010.org

Liability and insurance

Conference organizers cannot be held responsible for accidents involving conference participants or accompanying person, for damage, or loss of their personal property, or for cancellation expenses, regardless of cause. Participants are advised to organize their own travel insurance to cover them for their stay in Germany.

Frankfurt am Main



Frankfurt as the center of the Rhein-Main region with a population of about 5.600.000 offers its visitors a great deal of urban excitement, a vast exhibition centre. Along with the famous skyline it is also the site of continental Europe's largest airport. Its location at the centre of Germany and Europe has made it an important merchantile hub since the medieval. Mentioned first as a location for a assembly presided by Charlemagne, Frankfurt was since 855 the town in which the German emperor was elected. The Frankfurt trade fair was first mentioned 1150.

Today Frankfurt shows its international air also through its population which is a melting pot for people from 180 nations. As a financial centre Frankfurts hosts not only the headquarters of all major German and International banks but is also the residence of the European Central Bank. The financial place is fuelled by the know-how and talent educated at the Goethe Universität which has close ties to the industry as well as to the central bank.

The Frankfurt Spectacular Art and Culture Festival: "Museumsuferfest" – Museum Embankment Festival

The Museumsuferfest is a promotion of the museums, arts and crafts, variety theatre, music and specialities from around the world on both sides of the River Main.

Opening hours:

Friday, 27. August 2010, 15:00–01:00
Saturday, 28. August 2010, 11:00–01:00
Sunday, 29. August 2010, 11:00–24:00

Further information can be found on the website www.museumsuferfest-frankfurt.de.

Frankfurt Weather

Temperatures in August reach a monthly average high of 24°C/75°F and a monthly average low of 13°C/56°F. The long term daily mean temperature in August is 19°C/66°F and at this time of the year many tourists enjoy sunny days in their summer clothing. However, the German weather can vary and it might demand visitors to bring along their umbrellas.

Tourist Information

The Tourismus+Congress GmbH is providing a wide range of interesting information about Frankfurt and excursions on their website www.frankfurt-tourismus.de.

Contact: Tourismus+Congress GmbH
Frankfurt am Main
Kaiserstrasse 56
60329 Frankfurt am Main
Phone: +49 (0) 69 21 23 88 00
Fax: +49 (0) 69 21 23 78 80
info@infofrankfurt.de

Currency

The official currency in Germany is the Euro. One Euro is divided into 100 Euro-cent. Coins of one, two, five, ten, twenty and fifty cents are in circulation, also a one and a two Euro coin.

Exchange Rate (July 2010)

The exchange rate as of is 1,21 \$ per Euro and 0,83£ per Euro.

Credit Cards

The use of credit cards is widespread in Germany and they are accepted almost everywhere. Eurocard, MasterCard, VISA, American Express and Diners Club are the most common. It is a good idea to check with your credit card company about the degree of acceptability and available services before you leave home. Note that some food stores however only accept debit cards.

Traveller's Cheques

Traveller's cheques are accepted and should be purchased before arriving in Germany.

Banks

Most banks are open between 9:30–12:30 and 14:00–16:30 during working days. On Saturday and Sunday, banks are closed, but ATMs / cash dispensers are easy to find (e.g. New Lecture Building).

Post Offices

Post offices are open mostly from 9:00 to 18:00 hours on working days and from 09:00 to 12:00 at Saturday. Sundays the offices are closed. Note that offices are evenly spread over the city.

Shopping

Frankfurt is a vibrant metropolis and its possibilities for shopping are great, too. Operating hours for shops in Frankfurt may vary. The usual operating hours are from 09:00 to 19:00 or 20:00.

In Germany 19% VAT is included in the retail price. As a visitor to a foreign country you are entitled to a VAT refund on the purchases you export from Germany.

Time

Germany is one hour ahead of Greenwich mean time (GMT+1).

Tipping

Restaurants, hotels and taxi drivers include a service fee in their charges. Customers who are satisfied with the service usually tip an extra 5–10%.

Electricity

Electricity in Germany is 220V at 50 Hertz cycles. Plugs used are round ended, two-pronged plugs such as those used in most of Europe (with the exception of UK). Adapters are required for appliances from USA, Canada and other non-European countries.

Dress

Smart casual wear is suggested for all conference events, except the conference dinner, where we suggest a more formal outfit. A jacket is advisable as it can get cooler in the evenings.

Water

There will be water and soft drinks available at all times during the conference at the Goethe University. The tap-water in Germany is safe to drink.

Useful telephone numbers

Airport and Transport Information

Frankfurt Airport: +49 180 5 372 4636

Franfurt Main Rail Station: +49 69

2651055

Fax: +49 69 2651054

Frankfurt Taxis: +49 69 25 00 01

and +49 69 23 00 01

You can also order taxis via the internet:

[http://www.taxi-frankfurt.de/bestellung/
online-bestellung.html](http://www.taxi-frankfurt.de/bestellung/online-bestellung.html)

Frankfurt medical emergency medical centre (Ärztlicher Notdienst für Frankfurt und Offenbach)

Mainzer Landstraße 265, Tel.: +49 (0)69
19292

Emergency Hotlines

Fire: 112

Ambulance: 112

Police: 110

A medical first aid service team will be available on the campus during the sessions and the conference dinner.

Emergency Dental Care (Zahnärztlicher
Notdienst Universitätsklinikum Frankfurt)
Theodor-Stern-Kai 7, from 07:30 to 16:00
Tel.: +49 (0)69 63016713,
from 16:00: +49 (0)69 63015877

Duty Pharmacy

Pharmacies have the usual opening hours like other shops. Additionally they provide a 24 hour service. Every pharmacy has a schedule on the door which shows the address of the closest open pharmacy.

Permanent on duty: pharmacy located at the main train station (Hauptbahnhof).

Opening hours:

Mo. to Fr. 06:30–21:00

Sa. 08:00–21:00

So. 09:00–20:00

Thanks to our Supporters.



THE EUROPEAN FINANCE ASSOCIATION
37TH ANNUAL MEETING IS PRESENTED IN COOPERATION WITH:

SPECIAL AND PANEL SESSIONS



AWARDS



FURTHER CONFERENCE SUPPORT



Dear participants and guests,

On behalf of Goldman Sachs International, I am pleased to welcome you to this year's EFA Annual Meeting. Over the coming four days, Frankfurt will be a focal point of the international financial industry.

In deciding for Frankfurt and the House of Finance, the EFA has made an excellent choice. Over the past several years, the city of Frankfurt has solidified its position as a leading financial centre in continental Europe, just as Johann-Wolfgang-Goethe University and its House of Finance have enhanced their reputation as a top address for training of financial professionals in Germany and Europe.

The key benefit for the business and academic communities lies in the possibilities Frankfurt offers for intensive dialogue and active exchange between theory and practice. In my view, it is therefore only fitting that the EFA should select a location for this year's 37th Annual Meeting that regards a close interconnection between well-known international scholars, financial services firms and political decision makers as the necessary basis for functioning global financial markets.

In the course of its over 30 years of activity, the EFA itself has focused on actively promoting such an interrelationship throughout Europe – and beyond – as well as creating a professional forum for academic advancements in the area of finance. The Annual Meeting of EFA members is as much a part of this as the recognition of outstanding academic achievement. We are proud of



sponsoring this year's EFA Best Paper Award and thus making a contribution to ensure that targeted promotion of academic discourse on financial industry topics will continue in the future.

As a leading global investment banking, securities and investment management firm, and thus a representative of the practical side of finance, we consider it our responsibility to help offer the broadest possible forum for research in the areas of financial theory and financial management. For the coming four days, we wish you and the House of Finance success, many interesting discussions and a lively exchange of ideas – and we hope that you will take with you many positive impressions of Frankfurt as a home of finance, scholarship and culture.

Sincerely,

Philip Holzer

A handwritten signature in blue ink that reads "Philip Holzer". The signature is fluid and cursive, written over a light blue background.

DEPUTY HEAD OF GOLDMAN SACHS GERMANY

THE DEUTSCHE BANK PRIZE IN FINANCIAL ECONOMICS



www.db-prize.org

Review of Finance – Best Paper Award

In 2010 the Deutsche Bank Prize in Financial Economics also supports the Best Paper Award, published in the *Review of Finance*.

The prize is awarded for the top three papers in *The Review of Finance*. The winning papers are chosen by the Associate Editors and the Coeditors of *The Review of Finance*.

The award is handed over at the annual meeting of the European Finance Association in Frankfurt, Germany (25–28 August 2010).



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For more information kindly contact:

joerg.zimmermann@thomsonreuters.com or oliver.riehl@thomsonreuters.com

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Thomson Reuters is the world's leading provider of intelligent information for businesses and professionals. Thomson Reuters is pleased to offer Academia opportunities to make use of this unparalleled data and market experience.

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Frankfurt Institute for Risk Management and Regulation (FIRM)

The Frankfurt Institute for Risk Management and Regulation (FIRM) is affiliated to the Society for Risk Management and Regulation in which renowned banks as well as service providers, associations and the state of Hesse are involved. Based at both Frankfurt universities, FIRM promotes research and teaching in the fields of risk management and regulation.

Promoting research

Current research projects and their results create the basis for the future-oriented courses of tomorrow! In light of this understanding and given that more research endeavours in the past would probably have helped contain the current crisis, FIRM banks on by the implementation of research projects. They can be performed at the universities in question, but also at other suitable institutions.

Training of future top managers

Risk managers occupy a decisive position in overall bank management. The Executive Master of Science in Risk Management & Regulation trains risk managers of the future. The programme conveys a comprehensive systematic and strategic overview of risk management and provides the basis for assuming an accountable and decision-based top position in risk management.



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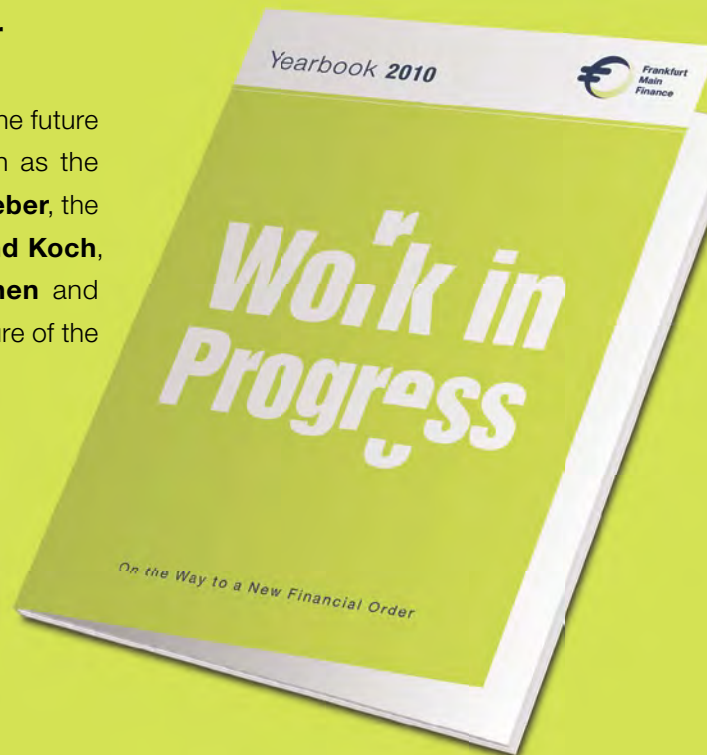
The Yearbook 2010 of Frankfurt Main Finance:

Work in Progress – On the Way to a New Financial Order

The financial centre Frankfurt is taking a look at the future in the finance sector. Renowned authors such as the president of the Deutsche Bundesbank, **Axel Weber**, the minister president of the State of Hesse, **Roland Koch**, and professors of finance **Jan Pieter Krahen** and **Helmut Siekmann** discuss the future architecture of the global financial system.

Download or get your free copy at
www.frankfurt-main-finance.com

Now available for free!



HOTEL DIRECTIONS

(closest hotels listed first)

1. Hilton Frankfurt Hotel (about 1,5 km away)

Hochstrasse 4, 60313 Frankfurt,

Phone +49 (0) 69 1338-000

Directions to Campus: From Hilton Hotel Frankfurt, walk east towards the Eschenheimer Tor subway entrance.

Take the Eschenheimer Tor subway train **U1** (Ginnheim), **U2** (Oberursel-Hohemark) or **U3** (Bad Homborg-Gonzenheim). Exit the subway at **Holzhausenstrasse**. Walk east as shown on the map to find the Campus.

2. Fleming's Deluxe Hotel Frankfurt

(about 1,5 km away)

Eschenheimer Tor 2, 60318 Frankfurt,

Phone +49 (0) 69 427232-0

Directions to Campus: Walk west from Fleming's Hotel toward the Eschenheimer Tor subway entrance.

Take the subway at Eschenheimer Tor with train **U1** (Ginnheim), **U2** (Oberursel-Hohemark), or **U3** (Bad Homborg-Gonzenheim). Exit the subway at **Holzhausenstrasse**. Walk to the west as shown on the map to find the Campus.

3. Inside Premium Suites Eurotheum

(about 1,5 km away)

Neue Mainzer Str. 66–68, 60311 Frankfurt,

Phone +49 (0) 69 210-880

Directions to Campus: From Inside Suites, walk north and then west towards the Alte Oper subway entrance.

Take the Alte Oper subway train **U6** (Frankfurt Ost) or **U7** (Enkheim). At Eschenheimer Tor, change to train **U1** (Ginnheim), **U2** (Oberursel-Hohemark), or **U3** (Bad Homborg-Gonzenheim). Exit the subway at **Holzhausenstrasse**. Walk west as shown on the map to find the Campus.

4. Sofitel Frankfurt Savigny (about 2 km away)

Savignystrasse 14–16, 60311 Frankfurt,

Phone +49 (0) 69753-30

Directions to Campus: From Sofitel Hotel, walk south toward Hauptbahnhof, the main train station.

Take the subway train **U4** (Enkheim) or **U5** (Preungesheim) toward Willy-Brandt-Platz. At Willy-Brandt-Platz, change to train **U1** (Ginnheim), **U2** (Oberursel-Hohemark), or **U3** (Bad Homborg-Gonzenheim). Exit the subway at **Holzhausenstrasse**. Walk west as shown on the map to find the Campus.

5. Maritim Hotel (about 2,3 km away)

Theodor-Heuss-Allee 3, 60486 Frankfurt,

Phone +49 (0) 69 7578-0

Directions to Campus: From Maritim Hotel, walk southeast toward the Festhalle/Messe subway entrance.

Take train **U4** (Enkheim) toward Willy-Brandt-Platz. At Willy-Brandt-Platz, change to train **U1** (Ginnheim), **U2** (Oberursel-Hohemark), or **U3** (Bad Homborg-Gonzenheim). Exit the subway at **Holzhausenstrasse**. Walk toward the west as shown on the map to find the Campus.

6. InterCity Hotel (about 2,4 km away)

Poststraße 8, 60329 Frankfurt,

Phone +49 (0) 69 2739-10

Directions to Campus: From InterCity Hotel, walk east toward Hauptbahnhof, the main train station.

Take the subway train **U4** (Enkheim) or **U5** (Preungesheim) toward Willy-Brandt-Platz. At Willy-Brandt-Platz, change to train **U1** (Ginnheim), **U2** (Oberursel-Hohemark), or **U3** (Bad Homborg-Gonzenheim). Exit the subway at **Holzhausenstrasse**. Walk west as shown on the map to find the Campus.

7. Le Meridien (about 2,6 km away)

Wiesenhüttenplatz 28–38, 60329 Frankfurt,

Phone +49 (0) 69 2697-0

Directions to Campus: From Le Meridien Hotel, walk north toward Hauptbahnhof, the main train station.

Take the subway train **U4** (Enkheim) or **U5** (Preungesheim) toward Willy-Brandt-Platz. At Willy-Brandt-Platz, change to train **U1** (Ginnheim), **U2** (Oberursel-Hohemark), or **U3** (Bad Homborg-Gonzenheim). Exit the subway at **Holzhausenstrasse**. Walk west as shown on the map to find the Campus.

8. InterContinental Hotel (about 2,8 km away)

Wilhelm-Leuschner-Strasse 43, 60329 Frankfurt,

Phone +49 (0) 69 2605-0

Directions to Campus: From InterContinental Hotel, walk north as shown on the map toward Hauptbahnhof, the main train station.

Take the subway train **U4** (Enkheim) or **U5** (Preungesheim) toward Willy-Brandt-Platz. At Willy-Brandt-Platz, change to train **U1** (Ginnheim), **U2** (Oberursel-Hohemark), or **U3** (Bad Homborg-Gonzenheim). Exit the subway at **Holzhausenstrasse**. Walk west as shown on the map to find the Campus.

9. Hotel Ibis (about 3,0 km away)

Speicherstraße 4, 60327 Frankfurt,

Phone +49 (0) 69 27303-0

Directions to Campus: From Hotel Ibis, walk north along Baseler Str. toward Hauptbahnhof, the main train station.

Take the subway train **U4** (Enkheim) or **U5** (Preungesheim) toward Willy-Brandt-Platz. At Willy-Brandt-Platz, change to train **U1** (Ginnheim), **U2** (Oberursel-Hohemark), or **U3** (Bad Homborg-Gonzenheim). Exit the subway at **Holzhausenstrasse**. Walk west as shown on the map to find the Campus.





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