

EFA 2012 Academic Program

Session Overview

Date: Thursday, August 16, 2012

8:00 am – 2:00 pm								
Registration								
9:00 am - 10:30 am	T1A Corporate Finance: Ownership structure	T1B Corporate Finance: Capital structure – I	T1C Corporate Finance: Investments	T1D Financial innovation	T1E ECB Track on Non-Standard Central Bank Intervention	T1F Market Microstructure I	T1G Stock Returns and Macroeconomic Variables - I	T1H Heterogeneous Preferences and Asset Prices
Coffee Break								
11:00 am - 12:30 pm	T2A Corporate Finance and Liquidity	T2B Corporate Finance: Capital structure – II	T2C Behavioral Finance I	T2D Financial Intermediation: Banking - I	T2E ECB Track on Systemic Risk And Macroprudential Regulation	T2F Pension Systems and Products	T2G Term Structure Models	T2H Financial Econometrics
Lunch								
2:00 pm - 3:30 pm	T3A Corporate Governance: Boards – I	T3B Corporate Finance: Capital structure – III	T3C Corporate Finance: M&A – I	T3D Credit Spreads – Empirical	T3E Market Microstructure – Liquidity and Market Crashes	T3F International Finance I	T3G Stock Returns and Macroeconomic Variables – II	T3H Asset Allocation Strategies and Risk Management
Coffee Break								
4:00 pm - 5:30 pm	T4A Financial Regulation	T4B Corporate Finance: Executive Compensation I	T4C Corporate Finance: M&A - II	T4D Financial Intermediation: Banking - II	T4E ECB Track: Sovereign Risk, Public Ownership of Banks and Financial Stability	T4F Housing and Real Estate Markets	T4G Volatility and Asset Pricing	T4H Oil and Gas Markets
6:15 pm- 7:00 pm Canal Tour (ends at The Old Stock Exchange)								
7:00 pm – 9:00 pm NASDAQ OMX Reception at The Old Stock Exchange								

Session Overview

Date: Friday, August 17, 2012

9:00 am - 10:30 am	F1A Corporate Finance: Effects of Ownership Structure	F1B Corporate Finance: Executive Compensation II	F1C Corporate Finance: M&A - III	F1D Financial Intermediation: Banking - III	F1E FRIC: Bank Capital Requirements	F1F Information in Options	F1G Time-Varying Correlations and Bond Premia	F1H Delegated Portfolio Management
Coffee Break								
11:00 am - 12:30 pm	F2A Corporate Finance: Private Equity	F2B Corporate Finance: Payout Policy	F2C Behavioral Finance II	F2D Financial Intermediation: Banking - IV	F2E FRIC: Trading Frictions	F2F International Finance II	F2G Asset Pricing - Leverage and Credit Risk	F2H Credit Ratings
Lunch								
2:00 pm - 3:30 pm	F3A Corporate Finance: Financial Distress	F3B Corporate Finance: Governance and Relations	F3C Behavioral Finance III	F3D Financial Intermediation: Banking - V	F3E FRIC: CDS Markets	F3F Information and Prices	F3G Household Finance	F3H Mutual Funds and Hedge Funds I
Coffee Break								
4:00 pm – 5:30 pm Plenary Session (BG Fonden Auditorium s.01) Keynote Speech: Darrell Duffie General Assembly and Award Ceremony								
7:00 pm Conference Dinner (The Old Porcelain Factory)								

Session Overview

Date: Saturday, August 18, 2012

9:00 am - 10:30 am	S1A Corporate Finance: CSR and Misconduct	S1B Corporate Finance	S1C Behavioral Finance - Theory	S1D Financial Intermediation: Banking - VI	S1E Asset Pricing Models I	S1F Market Microstructure II	S1G Stock Prices and Returns	S1H Mutual Funds and Hedge Funds II
	Coffee Break							
11:00 am - 12:30 pm	S2A Corporate Governance: Boards - II	S2B Corporate Finance: Convertible bonds	S2C Inflation and Asset Prices	S2D Financial Intermediation: Banking VII	S2E Asset Pricing Models II	S2F International Finance III	S2G Asset Pricing - Risk Premia and Options	S2H Delegated Investments and Performance
Lunch Packages								

Thursday 16 August 2012

9:00am - 10:30am

T1A

Corporate Finance: Ownership structure

Chair: Kasper Nielsen, HKUST

Are Control Rights Less Valuable When Shareholders Lack Information?

Abhiroop Mukherjee

Hong Kong University of Science & Technology

Discussant: Mark A. Chen, Georgia State University

Do Firms Choose Their Stock Liquidity? A Study of Innovative Firms and Their Stock Liquidity

Nishant Dass, Vikram Nanda, Steven Chong Xiao

Georgia Institute of Technology

Discussant: Sheng Huang, Singapore Management University

Does Family Control Matter? International Evidence from the 2008-2009 Financial Crisis

Karl Lins¹, Paolo Volpin², Hannes Wagner³

¹University of Utah; ²London Business School; ³Bocconi University

Discussant: Ernst Maug, University of Mannheim

T1B

Corporate Finance: Capital structure – I

Chair: Karan Bhanot, University of Texas

Capital Structure, Product Market Dynamics, and the Boundaries of the Firm

Dirk Hackbarth¹, Richmond Mathews², David Robinson³

¹University of Illinois; ²University of Maryland; ³Duke University

Discussant: Ulrich Hege, HEC

Credit Market Frictions and Capital Structure Dynamics

Erwan Morellec, Julien Hugonnier, Semyon Malamud

Ecole Polytechnique Fédérale de Lausanne (EPFL)

Discussant: Nina Boyarchenko, Federal Reserve Bank of New York

Granularity of Corporate Debt: Theory and Tests

Jaewon Choi¹, Dirk Hackbarth¹, Josef Zechner²

¹University of Illinois; ²Vienna University of Economics and Business

Discussant: Evgeny Lyandres, Boston University and IDC

Thursday 16 August 2012

9:00am - 10:30am

T1C

Corporate Finance: Investments

Chair: Thomas J. Chemmanur, Boston College

Firm Investment and Stakeholder Choices: A Top-Down Theory of Capital Budgeting

Zhaohui Chen¹, Andres Almazan², Sheridan Titman²

¹University of Virginia; ²University of Texas at Austin

Discussant: Sanjay Banerji, University of Nottingham

Real Effects of Stock Underpricing

Sandy Lai¹, Harald Hau²

¹University of Hong Kong; ²University of Geneva

Discussant: Tyler Hull, Norwegian School of Economics

The Real Effects of Stock Market Prices

Gustavo Grullon, Sebastien Michenaud, James P. Weston

Rice University

Discussant: Jiekun Huang, National University of Singapore

T1D

Financial innovation

Chair: Annette Vissing-Jørgensen, Northwestern University

Collateral-Motivated Financial Innovation

Hongjun Yan¹, Ji Shen², Jinfan Zhang¹

¹Yale University; ²London School of Economics

Discussant: Peter Kondor, Central European University

Financial Innovation: The Bright and the Dark Sides

Thorsten Beck¹, Tao Chen², Chen Lin², Frank M. Song³

¹Tilburg University and CEPR; ²The Chinese University of Hong Kong; ³University of Hong Kong

Discussant: Mariassunta Giannetti, Stockholm School of Economics

Contingent Capital: the case of COERCS

Theo Vermaelen¹, Christian Wolff², George Pennacchi³

¹INSEAD; ²Luxembourg School of Finance; ³University of Illinois

Discussant: Thomas Chemmanur, Boston College

Thursday 16 August 2012

9:00am - 10:30am

T1E

ECB Track on Non-Standard Central Bank Intervention

Chair: Greg Bauer, Bank of Canada

Quantitative Easing, Portfolio Choice and International Capital Flows

Marco Lo Duca, Marcel Fratzscher, Roland Straub

European Central Bank

Discussant: Ole Rummel, Bank of England

Dealer Financial Conditions and the Term Securities Lending Facility: Was Bagehot Right After All?

Asani Sarkar¹, Viral Acharya², Michael Fleming¹, Warren Hrung¹

¹Federal Reserve of New York; ²NYU Stern School of Business

Discussant: Jörg Rocholl, ESMT European School of Management and Technology

Liquidity of Financial Markets and the Demand for Reserves

Puriya Abbassi¹, Falko Fecht²

¹Deutsche Bundesbank; ²EBS Business School

Discussant: Thomas Eisenbach, Federal Reserve Bank of New York

T1F

Market Microstructure I

Chair: Ingrid Werner, Fisher College of Business, Ohio State University

Dealer Networks

Norman Schuerhoff^{1,3,4}, Dan Li²

¹University of Lausanne; ²Federal Reserve Board; ³Swiss Finance Institute; ⁴CEPR

Discussant: Elvira Sojli, Rotterdam School of Management, Erasmus University

Belief-Free Market Making

Johannes Hörner¹, Stefano Lovo², Tristan Tomala²

¹Yale University; ²HEC Paris

Discussant: Vincent Fardeau, Federal Reserve

Opaque Trading, Disclosure and Asset Prices: Implications for Hedge Fund Regulation

Liyan Yang¹, David Easley², Maureen O'Hara²

¹University of Toronto; ²Cornell University

Discussant: Veronika Pool, Indiana University

Thursday 16 August 2012

9:00am - 10:30am

T1G

Stock Returns and Macroeconomic Variables - I

Chair: Ralph Koijen, University of Chicago

Asset Prices and Business Cycles with Financial Shocks

Ctirad Slavik¹, **Mahdi Nezafat**²

¹Goethe University Frankfurt; ²Georgia Institute of Technology

Discussant: Ivan Jaccard, European Central Bank

The Impact of Fiscal Policy on Stock Returns

Mitch Warachka¹, **Zhi Da**², **Hayong Yun**²

¹Singapore Management University; ²University of Notre Dame

Discussant: Ivan Shaliastovich, Wharton

Monetary Policy Shocks and Stock Returns: Identification through Unholy Trinity

Ali Ozdagli, **Yifan Yu**

Federal Reserve Bank of Boston

Discussant: Pavol Povala, University of Lugano and NYU Stern

T1H

Heterogeneous Preferences and Asset Prices

Chair: Christian Schlag, Goethe University Frankfurt

Young, Old, Conservative, and Bold: The Implications of Heterogeneity and Finite Lives for Asset Pricing

Stavros Panageas¹, **Nicolae Garleanu**²

¹University of Chicago - Booth School of Business; ²UC Berkeley - Haas School of Business

Discussant: Juan M. Londono, Federal Reserve Board

Dynamic Equilibrium with Heterogeneous Agents and Risk Constraints

Rodolfo Prieto

Boston University

Discussant: Bruce Grundy, University of Melbourne

Equilibrium Existence and Approximation for Incomplete Market Models with Substantial Heterogeneity

Thomas Michael Mertens

New York University

Discussant: Semyon Malamud, Ecole Polytechnique Fédérale de Lausanne (EPFL)

Thursday 16 August 2012
11:00am - 12:30pm

T2A

Corporate Finance and Liquidity

Chair: Ernst Maug, University of Mannheim

Credit Lines as Monitored Liquidity Insurance: Theory and Evidence

Viral Acharya¹, Heitor Almeida², Filippo Ippolito³, Ander Perez³

¹New York University, CEPR & NBER; ²University of Illinois & NBER; ³Univ Pompeu Fabra & Barcelona GSE

Discussant: Francois DeGeorge, University of Lugano

Endogenous Liquidity Cycles

Günter Strobl

UNC and Frankfurt School of Finance & Management

Discussant: Avri Ravid, Yeshiva University

Liquidity Risk and Maturity Management over the Credit Cycle

Joao Santos¹, Atif Mian²

¹Federal Reserve Bank of New York; ²University of California - Berkeley

Discussant: Tim Adam, HU Berlin

T2B

Corporate Finance: Capital structure - II

Chair: Abe De Jong, Rotterdam School of Management

Growth Option Exercise and Capital Structure

Amiyatosh Purnanandam, Uday Rajan

University of Michigan - Ann Arbor

Discussant: Patrick Verwijmeren, VU University Amsterdam

Real estate prices and firm capital structure

Dragana Cvijanovic

HEC Paris

Discussant: Engelbert Dockner, Vienna University of Economics and Business

Strategic Cash Holdings and R&D Competition: Theory and Evidence

Berardino Palazzo, Evgeny Lyandres

Boston University

Discussant: Moshe Cohen, Columbia Business School

Thursday 16 August 2012
11:00am - 12:30pm

T2C

Behavioral Finance I

Chair: Matti Keloharjo, Aalto University, School of Business

Networks and Productivity: Causal Evidence from Editor Rotations

Jonathan Brogaard

University of Washington

Discussant: Fernando Anjos, University of Texas at Austin

Financial Overconfidence over Time - Foresight, Hindsight, and Insight of Investors

Christoph Merkle

University of Mannheim

Discussant: Markku Kaustia, Aalto University, School of Business

Are Red or Blue Companies More Likely to go Green? Politics and Corporate Social Responsibility

Alberta Di Giuli¹, Leonard Kostovetsky²

¹ESCP Europe; ²University of Rochester, Simon Graduate School of Business

Discussant: Yrjö Koskinen, Boston University

T2D

Financial Intermediation: Banking - I

Chair: Louis Gagnon, Queen's University

CEO Overconfidence in Banking

Felix Suntheim, Andrea Sironi

Bocconi University

Discussant: Terry Odean, Berkeley

Within-Syndicate Conflicts and Financial Contracts: Evidence from Bank Loans

Nishant Dass, Vikram Nanda, Qinghai Wang

Georgia Institute of Technology

Discussant: Mascia Bedendo, Bocconi University

Issuance Costs in Today's Equity Market: The Causal Effect of Accelerating Seasoned Equity

Matthew Gustafson

University of Rochester

Discussant: Chitru S. Fernando, University of Oklahoma

Thursday 16 August 2012
11:00am - 12:30pm

T2E

ECB Track on Systemic Risk and Macroprudential Regulation

Chair: Arnoud Boot, University of Amsterdam

A Macroeconomic Model of Endogenous Systemic Risk Taking

Javier Suarez¹, David Martinez-Miera²

¹CEMFI; ²Universidad Carlos III

Discussant: Alexandros Vardoulakis, European Central Bank and Banque de France

The Quiet Run of 2011: Money Market Funds and the European Debt Crisis

Sergey Chernenko¹, Adi Sunderam²

¹Ohio State University; ²Harvard Business School

Discussant: Alexander Schulz, Deutsche Bundesbank

Default Risk in an Interconnected Banking System with Endogenous Asset Markets

Marcel Bluhm^{1,2}, Jan Pieter Krahnen^{2,3}

¹Wang Yanan Institute for Studies in Economics at Xiamen University; ²Center for Financial Studies at Goethe University Frankfurt; ³Goethe University Frankfurt

Discussant: Alfred Lehar, University of Calgary

T2F

Pension Systems and Products

Chair: Bjarne Astrup Jensen, Copenhagen Business School

Heterogeneity in Target-Date Funds and the Pension Protection Act of 2006

Jonathan Michael Reuter, Pierluigi Balduzzi

Boston College

Discussant: Peter Løchte Jørgensen, Aarhus University

Participating Payout Life Annuities: Lessons from Germany

Raimond Maurer, Ralph Rogalla, Ivonne Siegelin

Goethe University Frankfurt

Discussant: Bjarne Astrup Jensen, Copenhagen Business School

Health and Mortality Delta: Assessing the Welfare Cost of Household Insurance Choice

Ralph Koijen¹, Stijn van Nieuwerburgh², Motohiro Yogo³

¹University of Chicago; ²NYU Stern; ³Minneapolis FED

Discussant: Mogens Steffensen, University of Copenhagen

Thursday 16 August 2012
11:00am - 12:30pm

T2G

Term Structure Models

Chair: Peter Feldhütter, London Business School

A Robust Analysis of the Risk-Structure of Equilibrium Term Structures of Bond Yields

Anh Le¹, Ken Singleton²

¹University of North Carolina; ²Stanford University

Discussant: Christian Heyerdahl-Larsen, London Business School

Unbiased Estimation of Dynamic Term Structure Models

Michael Bauer¹, Glenn Rudebusch¹, Cynthia Wu²

¹Federal Reserve Bank of San Francisco; ²Chicago Booth School of Business

Discussant: Anna Cieslak, Northwestern University

Macro fundamentals and risk premia in the yield curve at announcement events

Peter Hördahl¹, Eli Remolona¹, Giorgio Valente²

¹Bank for International Settlements; ²Essex Business School

Discussant: Jens Eggert Christensen, Federal Reserve Bank of San Francisco

T2H

Financial Econometrics

Chair: Jesper Lund, Copenhagen Business School

Forecasting the Equity Risk Premium: The Role of Technical Indicators

Chris Neely¹, David Rapach², Jun Tu³, Guofu Zhou⁴

¹Federal Reserve Bank of Saint Louis; ²Saint Louis University; ³Singapore Management University;

⁴Washington University in Saint Louis

Discussant: Tom Engsted, Aarhus University

Bayesian Estimation of Time-Changed Default Intensity Models

Pawel Szerszen, Michael Gordy

Federal Reserve Board

Discussant: Fulvio Pegoraro, Banque de France, CREST and HEC Lausanne

Robust Econometric Inference for Stock Return Predictability

Alexandros Kostakis¹, Tassos Magdalinos², Michalis Stamatogiannis³

¹University of Liverpool; ²University of Southampton; ³University of Groningen

Discussant: Marno Verbeek, Rotterdam School of Management

Thursday 16 August 2012
2:00pm - 3:30pm

T3A

Corporate Governance: Boards - I

Chair: Tom Berglund, Hanken Centre for Corporate Governance

The Brain Gain of Corporate Boards: A Natural Experiment from China

Mariassunta Giannetti¹, Guanmin Liao², Xiaoyun Yu²

¹Stockholm School of Economics; ²Indiana University

Discussant: Harley E. Ryan, Jr., Georgia State University

Governance in Executive Suites

E Han Kim¹, Yao Lu²

¹University of Michigan; ²Tsinghua University

Discussant: Aleksandra Gregoric, Copenhagen Business School

To Delegate or Not to Delegate to Stock Markets? The Case of Boards with Related Industry Expertise

Bunyamin Onal

Aalto University School of Business

Discussant: Pedro Matos, University of Virginia

T3B

Corporate Finance: Capital structure - III

Chair: Josef Zechner, Vienna University of Economics and Business

How Important is Financial Risk?

Gregory Brown¹, Sohnke Bartram², **William Waller**¹

¹University of North Carolina; ²University of Warwick

Discussant: Michael Halling, Stockholm School of Economics/University of Utah

Board Structure and Capital Structure

Beatriz Mariano³, Miguel Ferreira², Daniel Ferreira¹

¹London School of Economics; ²Nova School of Business and Economics; ³University Carlos III

Discussant: Yrjö Koskinen, Boston University

The Pre-Borrowing Motive: A Model of Coexistent Debt and Cash Holdings

Maria Chaderina

Carnegie Mellon University

Discussant: Thomas Dangl, Vienna University of Technology

Thursday 16 August 2012
2:00pm - 3:30pm

T3C

Corporate Finance: M&A - I

Chair: Marc Martos-Vila, UCLA

Asset Sales and the Role of Buyers: Strategic Buyers versus Private Equity

Ulrich Hege¹, Stefano Lovo¹, Myron Slovin¹, Marie Sushka^{1,2}

¹HEC Paris; ²Arizona State University

Discussant: Fernando Anjos, University of Texas Austin

Financing Bidders in Takeover Auctions

Vladimir Vladimirov

University of Amsterdam

Discussant: Doron Levit, Wharton

Market reactions to European merger regulation: A reexamination of the protectionism hypothesis

Marieke Delanghe^{2,1}, Nihat Aktas¹, Eric de Bodd^{2,1}, Richard Roll³

¹SKEMA Business School; ²Univ.Lille Nord de France; ³UCLA – Anderson School of Management

Discussant: Jerome Taillard, Boston College

T3D

Credit Spreads - Empirical

Chair: Jens Hilscher, Brandeis University

Firm policies and the cross-section of CDS spreads

Alessio Saretto¹, Andrea Gamba²

¹University of Texas at Austin; ²University of Warwick

Discussant: Ali Ozdagli, Federal Reserve Bank of Boston

Credit spreads across the business cycle

Mads Stenbo Nielsen

Copenhagen Business School

Discussant: Philippe Mueller, London School of Economics

Inflation Risk in Corporate Bonds

Carolyn E Pflueger, Johnny Kang

Harvard Business School

Discussant: Peter Hördahl, Bank for International Settlements

Thursday 16 August 2012
2:00pm - 3:30pm

T3E

Market Microstructure - Liquidity and Market Crashes

Chair: Patrik Sandas, University of Virginia

Market Crashes and Large Bets

Albert Kyle, Anna Obizhaeva

University of Maryland

Discussant: Stefano Lovo, HEC Paris

Illiquidity contagion and liquidity crashes

Giovanni Cespa¹, Thierry Foucault²

¹Cass Business School; ²HEC Paris

Discussant: Lasse Heje Pedersen, Copenhagen Business School

Market Run-Ups, Market Freezes, Inventories, and Leverage

Yaron Leitner¹, Philip Bond²

¹Federal Reserve Bank of Philadelphia; ²University of Minnesota

Discussant: Adam Zawadowski, Boston University

T3F

International Finance I

Chair: Christian Wagner, Copenhagen Business School

The Economic Consequences of the U.S. Supreme Court's Morrison v. National Australia Bank Decision for Foreign Stocks Cross-listed in U.S. Markets

Louis Gagnon¹, Andrew Karolyi²

¹Queen's University; ²Cornell University

Discussant: Ulf Nielsson, Copenhagen Business School

Importing Governance: A Multinational Study of the Determinants and Effects of Having Foreign Independent Directors

Annette Poulsen¹, Mihail Miletkov², M. Babajide Wintoki³

¹University of Georgia; ²University of New Hampshire; ³University of Kansas

Discussant: Jana Fidrmuc, University of Warwick

The Determinants of Liquidity Co-Exceedances Across Markets

Dimitris Vagias

Rotterdam School of Management, Erasmus University

Discussant: Petri Jylhä, Imperial College

Thursday 16 August 2012
2:00pm - 3:30pm

T3G

Stock Returns and Macroeconomic Variables - II

Chair: David Mclean, University of Alberta

Volatility, the Macroeconomy and Asset Prices

Ravi Bansal¹, Dana Kiku², Ivan Shaliastovich², Amir Yaron²

¹Duke University; ²University of Pennsylvania

Discussant: Nina Boyarchenko, Federal Reserve Bank of New York

Fourth-quarter economic growth and expected returns

Stig Vinther Møller¹, Jesper Rangvid²

¹Aarhus University; ²Copenhagen Business School

Discussant: Jan Wrampelmeyer, University of St. Gallen

Industries and Stock Return Reversals

Allaudeen Hameed¹, Mujtaba Mian²

¹National University of Singapore¹; ²Hong Kong Polytechnic University

Discussant: Egor Matveyev, University of Alberta

T3H

Asset Allocation Strategies and Risk Management

Chair: Frans de Rooy, Tilburg University

Reacting to Short-Term Versus Long-Term Circumstances in Investors' Asset Allocation Decisions

Mahmoud Botshekan¹, Andre Lucas^{1,2}

¹VU University Amsterdam; ²Duisenberg School of Finance and Tinbergen Institute

Discussant: Ralph Koijen, University of Chicago

Can Large Pension Funds Beat the Market? Asset Allocation, Market Timing, Security Selection, and the Limits of Liquidity

Aleksandar Andonov¹, Rob Bauer¹, Martijn Cremers²

¹Maastricht University; ²Yale University

Discussant: Xuanjuan Chen, Kansas State University

A Theoretical and Empirical Comparison of Systemic Risk Measures

Sylvain Benoit¹, Gilbert Colletaz¹, Christophe Hurlin¹, Christophe Pérignon²

¹University of Orléans; ²HEC Paris

Discussant: Peter Feldhütter, London Business School

Thursday 16 August 2012
4:00pm - 5:30pm

T4A

Financial Regulation

Chair: Thomas M. Eisenbach, Federal Reserve Bank of New York

Financial Regulation: Regulatory Arbitrage and Regulatory Harmonization

Norvald Instefjord¹, **Pascal Frantz**²

¹Essex Business School, University of Essex; ²London School of Economics

Discussant: Alminas Zaldokas, HKUST

Optimal Capital Regulation with Two Banking Sectors

Taejin Kim, **Vishal Mangla**

Northwestern University

Discussant: Mirza Afrasiab, Queen's University

Leveling the Playing Field: Financial Regulation and Disappearing Local Bias of Institutional Investors

Gennaro Bernile¹, **Johan Sulaeman**², **Alok Kumar**³

¹University of Miami; ²Southern Methodist University; ³University of Miami

Discussant: Wei Wang, Queen's University

T4B

Corporate Finance: Executive Compensation I

Chair: Moqi Xu, London School of Economics & Political Science

Family Firms and Top Management Compensation Incentives

Zhi Li¹, **Harley E. Ryan**², **Lingling Wang**¹

¹Tulane University; ²Georgia State University

Discussant: Pedro Matos, University of Virginia

CEO Incentive Dynamics and Their Effect on Firm Value

Zhonglan Dai¹, **Li Jin**², **Weining Zhang**³

¹University of Texas at Dallas; ²Oxford University and Peking University; ³Cheung Kong Graduate School of Business

Discussant: John Bizjak, TCU

Does Transparency Increase Executive Compensation?

Cornelius Schmidt^{1,2}

¹University of Lausanne; ²Swiss Finance Institute

Discussant: April Klein, New York University

Thursday 16 August 2012
4:00pm - 5:30pm

T4C

Corporate Finance: M&A - II

Chair: Eric De Bodt, Univ. Lille Nord de France

Cash is King - Revaluation of Targets after Merger Bids

Marcus Matthias Opp¹, Ulrike Malmendier¹, Farzad Saidi²

¹University of California, Berkeley; ²NYU

Discussant: Nihat Aktas, Skema Business School

Does the dearth of mergers mean more competition?

Bart Taub¹, Dirk Hackbarth²

¹Durham University Business School; ²University of Illinois Business School

Discussant: Eric De Bodt, Univ. Lille Nord de France

Stock Price Correlation and the Method of Payment in Corporate Acquisitions

Robert Dam, Vineet Bhagwat

Kellogg School of Management, Northwestern University

Discussant: Micah Officer, Loyola Marymount University

T4D

Financial Intermediation: Banking - II

Chair: Javier Suarez, CEMFI

Bank funding, securitization and loan terms: evidence from foreign currency lending

Karolin Kirschenmann¹, Martin Brown², Steven Ongena³

¹Aalto University School of Economics; ²University of St. Gallen; ³Tilburg University

Discussant: Mario Bersem, Copenhagen Business School

Loan officer incentives and the limits of hard information

Tobias Berg¹, Manju Puri², Jörg Rocholl³

¹Humboldt-Univ zu Berlin; ²Duke University and NBER; ³ESMT European School of Management and Technology

Discussant: Andrew Winton, University of Minnesota

Incentivizing Calculated Risk-Taking: Evidence from a Series of Experiments with Commercial Bank Loan Officers

Martin Kanz¹, Shawn Cole², Leora Klapper¹

¹The World Bank; ²Harvard Business School

Discussant: Nigel Jones Barradale, Copenhagen Business School

Thursday 16 August 2012
4:00pm - 5:30pm

T4E

ECB Track: Sovereign Risk, Public Ownership of Banks and Financial Stability

Chair: Jesper Rangvid, Copenhagen Business School

Financial sector linkages and the dynamics of bank and sovereign credit spreads

Rene Kallestrup, David Lando, Agatha Murgoci

Copenhagen Business School

Discussant: Pierluigi Balduzzi, Boston College

The Impact of Government Ownership on Bank Risk

Giacomo Nocera, Giuliano Iannotta, Andrea Sironi

Bocconi University

Discussant: Bjorn Imbierowicz, Goethe University Frankfurt

The Euro and European Equity Market (Dis)Integration

Vidhi Chhaochharia, Sandro Andrade

University of Miami

Discussant: Jacobo Cimadomo, European central Bank

T4F

Housing and Real Estate Markets

Chair: Tom Engsted, Aarhus University

Housing price forecastability: A factor analysis

Lasse Bork, Stig V. Møller

Aalborg University

Discussant: Ivan Jaccard, European central Bank

Arbitrage in Unfamiliar Places: The International Residential Real Estate Market

Maurice Levi, Thomas Ruf

UBC

Discussant: Frans de Rooy, Tilburg University

Did Local Lenders Forecast the Bust? Evidence from the Real Estate Market

Kristle Cortes

Boston College

Discussant: Tom Engsted, Aarhus University

Thursday 16 August 2012
4:00pm - 5:30pm

T4G

Volatility and Asset Pricing

Chair: Tim Bollerslev, Duke University

The Term Structure of Variance Swaps, Risk Premiums, and Expectation Hypothesis

Yacine Ait-Sahalia, Mustafa Karaman, Loriano Mancini

Ecole Polytechnique Federale de Lausanne (EPFL)

Discussant: Christian Schlag, Goethe University Frankfurt

In Search of Aggregate Jump and Volatility Risk in the Cross-Section of Stock Returns

Michael Halling¹, Martijn Cremers², David Weinbaum³

¹Stockholm School of Economics/University of Utah; ²Yale School of Management; ³Syracuse University

Discussant: Grigory Vilkov, Goethe University Frankfurt

Coherent Model-Free Implied Volatility: A Corridor Fix for High-Frequency VIX

Torben G. Andersen¹, Oleg Bondarenko², Maria Theresa Gonzalez-Perez³

¹Kellogg School, Northwestern University; ²University of Illinois at Chicago; ³CUNEF

Discussant: Jesper Lund, Copenhagen Business School

T4H

Oil and Gas Markets

Chair: Kristian Miltersen, Copenhagen Business School

Does Local Access To Finance Matter? Evidence from U.S. Oil and Natural Gas Shale Booms

Erik Gilje

Boston College

Discussant: Bent Vale, Central Bank of Norway

Investor Beliefs and State Price Densities in the Crude Oil Market

Xuhui (Nick) Pan

McGill University

Discussant: Lars Stentoft, Copenhagen Business School and HEC Montreal

Determinants of Trader Profits in Commodity Futures Markets

Michael Dewally¹, Louis H. Ederington², Chitru Fernando²

¹Towson University; ²University of Oklahoma

Discussant: Duane Seppi, Carnegie Mellon University

Friday 17 August 2012
9:00am - 10:30am

F1A

Corporate Finance: Effects of Ownership Structure

Chair: Patrick Verwijmeren, VU University Amsterdam

Equity Ownership and Product Prices

Ramin Baghai

Stockholm School of Economics

Discussant: Harley E. Ryan, Georgia State University

Coordination Costs, Institutional Investors, and Firm Value

Jiekun Huang

National University of Singapore

Discussant: Abe De Jong, Rotterdam School of Management

Soft Shareholder Activism

Doron Levit

University of Pennsylvania

Discussant: Abhiroop Mukherjee, HKUST

F1B

Corporate Finance: Executive Compensation I

Chair: Yaniv Grinstein, Cornell University

The Costs and Benefits of Long-Term CEO Contracts

Moqi Xu

London School of Economics & Political Science

Discussant: Kasper Nielsen, HKUST

Agency, Firm Growth, and Managerial Turnover

Ronald W. Anderson, M. Cecilia Bustamante, Stephane Guibaud

London School of Economics

Discussant: Oliver Spalt, Tilburg University

Clawback Provisions

John Bizjak², Ilona Babenko¹, Benjamin Bennet¹, Jeffrey Coles¹

¹Arizona State University; ²Texas Christian University

Discussant: Florian Peters, University of Amsterdam

Friday 17 August 2012
9:00am - 10:30am

F1C

Corporate Finance: M&A - III

Chair: Ulrich Hege, HEC Paris

Excess Value and Restructurings by Diversified Firms

Gayane Hovakimian

Fordham University

Discussant: Michael Hertzel, Arizona State University

Financial Buyers vs. Strategic Buyers

Marc Martos-Vila¹, Matthew Rhodes-Kropf², Jarrad Harford³

¹University of California Los Angeles; ²Harvard University; ³University of Washington

Discussant: Alexander Gorbenko, London Business School

Do Anti-takeover Provisions spur corporate innovation?

Thomas Chemmanur¹, Xuan Tian²

¹Boston College; ²Indiana University

Discussant: Ramin Baghai, Stockholm School of Economics

F1D

Financial Intermediation: Banking - III

Chair: Jan Pieter Krahnen, Goethe University Frankfurt

The Roles of Corporate Governance in Bank Failures during the Recent Financial Crisis

Bjorn Imbierowicz¹, Christian Rauch¹, Allen N. Berger²

¹Goethe University Frankfurt; ²University of South Carolina

Discussant: Jörg Rocholl, ESMT European School of Management and Technology

Covenant Violations, Loan Contracting, and Default Risk of Bank Borrowers

Felix Freudenberg¹, Björn Imbierowicz¹, Sascha Steffen², Anthony Saunders³

¹Goethe University Frankfurt; ²ESMT European School of Management and Technology; ³New York University

Discussant: Nishant Dass, Georgia Institute of Technology

Lender Moral Hazard and Reputation in Originate-to-Distribute Markets

Andrew Winton¹, Vijay Yerramilli²

¹University of Minnesota; ²University of Houston

Discussant: Dirk Hackbarth, University of Illinois

Friday 17 August 2012

9:00am - 10:30am

F1E

FRIC: Bank Capital Requirements

Chair: Adam Zawadowski, Boston University

Bank stability and market discipline: The effect of contingent capital on risk taking and default probability

Alon Raviv, Jens Hilscher

Brandeis University

Discussant: Darrell Duffie, Stanford University

A theory of bank liquidity requirements

Charles Calomiris², Florian Heider¹, Marie Hoerova¹

¹European Central Bank; ²Columbia University, Graduate School of Business

Discussant: Yaron Leitner, Federal Reserve Bank of Philadelphia

Liquidity Hoarding

Douglas Gale¹, Tanju Yorulmazer²

¹New York University; ²Federal Reserve Bank of New York

Discussant: Javier Suarez, CEMFI

F1F

Information in Options

Chair: Mark Shackleton, Lancaster University

Parametric Inference, Testing and Dynamic State Recovery from Option Panels with Fixed Time Span

Nicola Fusari, Torben Andersen, Viktor Todorov

Northwestern University, Kellogg school of Management

Discussant: Mark Shackleton, Lancaster University

Cross-Market and Cross-Firm Effects in Implied Default Probabilities and Recovery Values

Robert F Dittmar¹, Jennifer Conrad², Allaudeen Hameed³

¹University of Michigan; ²University of North Carolina; ³National University of Singapore

Discussant: Nina Boyarchenko, Federal Reserve Bank of New York

Investors' and Central Bank's Uncertainty Measures Embedded in Index Options

Alexander David¹, Pietro Veronesi²

¹University of Calgary, Haskayne School of Business; ²University of Chicago, Booth School of Business

Discussant: Alex Kostakis, University of Liverpool

Friday 17 August 2012
9:00am - 10:30am

F1G

Time-Varying Correlations and Bond Premia

Chair: Grigory Vilkov, Goethe University Frankfurt

Understanding bond risk premia

Anna Cieslak¹, Pavol Povala²

¹Northwestern University; ²University of Lugano, Institute of Finance

Discussant: Paul Schneider, University of Warwick

Understanding Asset Correlations

Henrik Hasseltoft, Dominic Burkhardt

University of Zurich / Swiss Finance Institute

Discussant: Christian Schlag, Goethe University Frankfurt

Is the Potential for International Diversification Disappearing? A Dynamic Copula Approach

Kris Jacobs¹, Peter Christoffersen², Vihang Errunza³, Hugues Langlois³

¹University of Houston; ²University of Toronto; ³McGill University

Discussant: Philippe Mueller, London School of Economics

F1H

Delegated Portfolio Management

Chair: Mariassunta Giannetti, Stockholm School of Economics

Fiduciary Responsibility, "Star" Cultures, and Reputation

William J Wilhelm¹, Zhaohui Chen², Alan Morrison³

¹University of Virginia; ²University of Virginia; ³University of Oxford

Discussant: Samuel Lee, New York University

Portfolio Delegation and Fiduciary Management

Maria Putintseva

University of Zurich

Discussant: Jungsuk Han, Stockholm School of Economics

Contracting in Delegated Portfolio Management: The Case of Alternative Assets

Wei Li, Ashish Tiwari

University of Iowa

Discussant: Konrad Raff, VU University Amsterdam

Friday 17 August 2012
11:00am - 12:30pm

F2A

Corporate Finance: Private Equity

Chair: Stefano Lovo, HEC Paris

Activist Investors and Performance in Private Equity

Adair Morse

University of Chicago, Booth School of Business

Discussant: Carsten Bienz, Norwegian School of Economics

Private Equity and Employees

Martin Olsson¹, Joacim Tåg²

¹Stockholm University and the Research Institute of Industrial Economics (IFN); ²Research Institute of Industrial Economics (IFN)

Discussant: Gueorgui I. Kolev, EDHEC Business School

Valuing Private Equity

Morten Sorensen¹, Neng Wang¹, Jinqiang Yang²

¹Columbia Business School; ²Shanghai University of Finance and Economics

Discussant: Stefan Hirth, Aarhus University

F2B

Corporate Finance: Payout Policy

Chair: Dirk Hackbarth, University of Illinois

A Theory of Income Smoothing When Insiders Know More Than Outsiders

Viral Acharya¹, Bart Lambrecht²

¹NYU-Stern; ²Lancaster University Management School

Discussant: Peter Norman Sørensen, University of Copenhagen

Executive Compensation and Horizon Incentives: an Empirical Investigation of Corporate Cash Payout

Sheng Huang

Singapore Management University

Discussant: Grzegorz Pawlina, Lancaster University Management School

Financial Expert CEOs: Corporate Policies, CEO Choice, and the Firm Life Cycle

Daniel Metzger¹, Claudia Custodio²

¹Stockholm School of Economics; ²Arizona State University – W. P. Carey School of Business

Discussant: Micah Officer, Loyola Marymount University

Friday 17 August 2012
11:00am - 12:30pm

F2C

Behavioral Finance II

Chair: Alok Kumar, University of Miami

Extrapolation Errors in IPOs

Chris Yung¹, Ying Xiao²

¹University of Virginia; ²Mount Saint Mary College

Discussant: George Korniotis, University of Miami

Categorization Bias in the Stock Market

Philipp Krueger¹, Augustin Landier², David Thesmar³

¹Geneva Finance Research Institute, Universite de Geneve; ²Toulouse School of Economics and CEPR; ³HEC Paris and CEPR

Discussant: Jeremy Page, Brigham Young University

The Dividend Month Premium

Samuel Hartzmark, David Solomon

University of Southern California, Marshall School of Business

Discussant: Chendi Zhang, Warwick Business School

F2D

Financial Intermediation: Banking - IV

Chair: Steven Ongena, Tilburg University

Why are Banks Highly Interconnected?

Alexander David, Alfred Lehar

University of Calgary

Discussant: Jian Cai, Fordham University

Syndication, Interconnectedness, and Systemic Risk

Sascha Steffen¹, Jian Cai², Anthony Saunders³

¹European School of Management and Technology (ESMT); ²Fordham University; ³New York University

Discussant: Agnese Leonello, Wharton

Dynamic Debt Runs: Evidence from a Structural Estimation

Enrique Schroth¹, Gustavo Suarez², Lucian Taylor³

¹University of Amsterdam; ²Federal Reserve Board; ³Wharton School of Business, University of Pennsylvania

Discussant: Afrasiab Mirza, Queen's University

Friday 17 August 2012
11:00am - 12:30pm

F2E

FRIC: Trading Frictions

Chair: Peter Feldhütter, London Business School

Margin Requirements and Asset Prices

Johannes Brumm¹, Michael Grill², Felix Kubler¹, Karl Schmedders¹

¹University of Zurich; ²Deutsche Bundesbank

Discussant: Andrea Vedolin, LSE

Dynamic Trading with Predictable Returns and Transaction Costs

Nicolae Garleanu¹, Lasse Heje Pedersen²

¹University of California Berkeley; ²NYU and Copenhagen Business School

Discussant: Pierluigi Balduzzi, Boston College

The dynamics of limits to arbitrage: An empirical investigation

Murat Menguturk¹, Andrea Buraschi², Emrah Sener³

¹Imperial College London; ²University of Chicago; ³Ozyegin University

Discussant: Angelo Rinaldo, University of St. Gallen

F2F

International Finance II

Chair: Piet Sercu, KU Leuven

The Share of Systematic Variation in Bilateral Exchange Rates

Adrien Verdelhan

MIT Sloan

Discussant: Piet Sercu, KU Leuven

Asset Prices and Real Exchange Rates with Deep Habits

Christian Heyerdahl-Larsen

London Business School

Discussant: Jack Favilukis, London School of Economics

Explaining the Value Premium around the World: Risk or Mispricing?

Andy C.W. Chui¹, Sheridan Titman², K.C. John Wei³, Feixue Xie⁴

¹The Hong Kong Polytechnic University; ²University of Texas at Austin and NBER; ³Hong Kong University of Science and Technology; ⁴University of Texas at El Paso

Discussant: Weimin Liu, Nottingham University

Friday 17 August 2012
11:00am - 12:30pm

F2G

Asset Pricing - Leverage and Credit Risk

Chair: Jean Helwege, University of South Carolina

The Relative Leverage Premium

Roberto Steri¹, Filippo Ippolito², Claudio Tebaldi¹

¹Bocconi University; ²Universitat Pompeu Fabra

Discussant: Hong Yan, University of South Carolina and Shanghai Advanced Institute of Finance

The Cross-Section of Credit Risk Premia and Equity Returns

Nils Friewald, Christian Wagner, Josef Zechner

Vienna University of Economics and Business

Discussant: Nina Boyarchenko, Federal Reserve Bank of New York

Credit Ratings and Credit Risk

Jens Hilscher¹, Mungo Wilson²

¹Brandeis University; ²Oxford University

Discussant: Jens Dick-Nielsen, Copenhagen Business School

F2H

Credit Ratings

Chair: Liorana Pelizzon, Università Ca' Foscari di Venezia

Are Ratings the Worst Form of Credit Assessment Apart from All the Others?

Andreas Blöchliger¹, Markus Leippold², Basile Mairé¹

¹Zürcher Kantonalbank; ²University of Zurich and Swiss Finance Institute

Discussant: Karan Bhanot, University of Texas

Can skin-in-the-game discipline credit rating agencies?

Dion Bongaerts

Rotterdam School Of Management

Discussant: Andrea Gamba, Warwick Business School

Are Credit Ratings Still Relevant?

Sudheer Chava, Rohan Ganduri, Chayawat Ornthanalai

Georgia Institute of Technology

Discussant: Alessandro Fontana, University of Geneva

Friday 17 August 2012
2:00pm - 3:30pm

F3A

Corporate Finance: Financial Distress

Chair: Bruce Grundy, University of Melbourne

Corporate Financial Health and Politics: Evidence From the Stimulus Act

Manuel Adelino¹, Serdar Dinc²

¹ Duke University's Fuqua School of Business; ²Rutgers University

Discussant: Sébastien Michenaud, Rice University

How Costly is Corporate Bankruptcy for Top Executives?

Espen Eckbo¹, Karin Thorburn², Wei Wang³

¹Dartmouth College; ²Norwegian School of Economics; ³Queen's University

Discussant: Michael Hertzel, Arizona State University

The Causal Effect of Bankruptcy Law on the Cost of Finance

Nicolas Serrano-Velarde¹, Giacomo Rodano², Emanuele Tarantino³

¹Oxford University; ²Bank of Italy; ³University of Bologna

Discussant: Steven R.G Ongena, Tilburg School of Economics & Management

F3B

Corporate Finance: Governance and Relations

Chair: Adair Morse, University of Chicago

Do Shareholder Rights affect Syndicate Structure? Evidence from a Natural Experiment.

Sreedhar Bharath¹, Sandeep Dahiya², Issam Hallak³

¹Arizona State University; ²Georgetown University; ³Bocconi University

Discussant: Chris Yung, University of Virginia

Going Public - Going Private: The Case of VC-backed Firms

Uwe Walz, Andrej Gill

Goethe University Frankfurt

Discussant: Linus Siming, Bocconi University

Political Contributions and CEO Pay

Yaniv Grinstein¹, Hadiye Aslan²

¹Cornell University; ²University of Houston

Discussant: Nathan Dong, Columbia University

Friday 17 August 2012
2:00pm - 3:30pm

F3C

Behavioral Finance III

Chair: Lisa Kramer, University of Toronto

What is in a Name? Mutual Fund Flows When Managers Have Foreign Sounding Names

Oliver Spalt³, Alok Kumar¹, Alexandra Niessen-Ruenzi²

¹Tilburg University; ²University of Miami; ³University of Mannheim

Discussant: Raghavendra Rau, University of Cambridge

Financial education, investor protection and international portfolio diversification

Maela Giofré

CeRP-Collegio Carlo Alberto

Discussant: Johan Sulaeman, Southern Methodist University

Seasonal Asset Allocation: Evidence from Mutual Fund Flows

Mark Kamstra¹, Lisa Kramer², Maurice Levi³, Russell Wermers⁴

¹York University; ²University of Toronto; ³University of British Columbia; ⁴Maryland University

Discussant: Jose Vicente Martinez, University of Oxford

F3D

Financial Intermediation: Banking - V

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

The Effects of a Megabank Merger on Firm-Bank Relationships

Ichiro Uesugi¹, Taisuke Uchino²

¹Hitotsubashi University; ²RIETI

Discussant: Sascha Steffen, ESMT

Who Borrows? Firm Performance Predictability of Bank Lending Decisions to Small Firms.

Aksel Mjøs, Ove Rein Hetland

Norwegian School of Economics

Discussant: Jan Bartholdy, Aarhus University

The Role of Government Regulation in Cross-Border Bank Acquisitions

Alvaro Taboada¹, G. Andrew Karolyi²

¹University of Tennessee; ²Cornell University

Discussant: Merih Sevilir, Indiana University

Friday 17 August 2012
2:00pm - 3:30pm

F3E

FRIC: CDS Markets

Chair: Anders Bjerre Trolle, Ecole Polytechnique Fédérale de Lausanne (EPFL)

Are CDS Auctions Biased?

Songzi Du¹, Haoxiang Zhu²

¹ Simon Fraser University; ² MIT Sloan School of Management

Discussant: Alexander Gorbenko, London Business School

The Anatomy of the CDS Market

Adam Zawadowski¹, Martin Oehmke²

¹ Boston University, School of Management; ² Columbia Business School

Discussant: Tobias Berg, Humboldt University of Berlin

Does the Tail Wag the Dog? The Effect of Credit Default Swaps on Credit Risk

Marti Subrahmanyam¹, Dragon Tang², Sarah Wang²

¹ Stern School of Business, New York University; ² The University of Hong Kong

Discussant: Alessandro Fontana, University of Geneva

F3F

Information and Prices

Chair: Albert S. Kyle, University of Maryland

What Are We Meeting For? The Consequences of Private Meetings with Investors

David Solomon¹, Eugene Soltes²

¹ University of Southern California; ² Harvard Business School

Discussant: Howard Chan, University of Melbourne

Cross-listed Bonds, Information Asymmetry and Rating Conservatism

Yigit Atilgan¹, Alope Ghosh², Jieying Zhang³

¹ Sabanci University; ² Baruch College; ³ University of Southern California

Discussant: Filippo Ippolito, Universitat Pompeu Fabra

Information Diversity and Market Efficiency Spirals

Itay Goldstein¹, Liyan Yang²

¹ University of Pennsylvania - Wharton School; ² University of Toronto

Discussant: Bart Taub, Durham Business school

Friday 17 August 2012
2:00pm - 3:30pm

F3G

Household Finance

Chair: Holger Kraft, Goethe University Frankfurt

Individual Investor Activity and Performance

Jose Vicente Martinez¹, Magnus Dahlquist², Paul Soderlind³

¹Saïd Business School, University of Oxford; ²Stockholm School of Economics, Institute for Financial Research (SIFR), CEPR; ³University of St. Gallen, Swiss Institute of Banking and Finance, CEPR

Discussant: Steffen Meyer, Goethe University Frankfurt

Risk Aversion and Wealth: Evidence from Person-to-Person Lending Portfolios

Enrichetta Ravina, Daniel Paravisini, Veronica Rappoport

Columbia University

Discussant: Engelbert Dockner, Vienna University of Economics and Business

Dynamic Stock Market Participation of Households

Natalia Khorunzhina

Copenhagen Business School

Discussant: Enrichetta Ravina, Columbia University

F3H

Mutual Funds and Hedge Funds I

Chair: Neal Stoughton, Vienna University of Economics and Business

Sell-Side Analysts' Responses to Mutual Fund Flow-Driven Mispricing

Johan Sulaeman¹, Kelsey Wei²

¹Southern Methodist University; ²University of Texas at Dallas

Discussant: Lukasz Pomorski, University of Toronto

Contrarian Hedge Funds and Momentum Mutual Funds

Massimo Massa¹, Andrei Simonov², Shan Yan³

¹INSEAD; ²Eli Broad Graduate School of Management, Michigan State University and CEPR; ³Eli Broad Graduate School of Management, Michigan State University

Discussant: Michael Halling, Stockholm School of Economics/University of Utah

Outsourcing in the International Mutual Fund Industry: An Equilibrium View

Oleg Chuprinin, Massimo Massa, David Schumacher

INSEAD

Discussant: Juan Pedro Gomez, IE Business

Saturday 18 August 2012

9:00am - 10:30am

S1A

Corporate Finance: CSR and Misconduct

Chair: Yrjo Koskinen, Boston University

A Critical Analysis of Databases Used in Financial Misconduct Research

Jonathan M. Karpoff¹, Allison Koester², D. Scott Lee³, Gerald S. Martin⁴

¹University of Washington; ²Texas A&M University; ³Georgetown University; ⁴American University

Discussant: Vladimir I. Ivanov, U.S. Securities and Exchange Commission

Can Socially Responsible Firms Survive Competition? An Analysis of Corporate Employee Matching Grants

Ning Gong, Bruce D. Grundy

University of Melbourne

Discussant: Iraj J. Fooladi, Dalhousie University

Which firms benefit from bribes, and by how much? Evidence from corruption cases worldwide

Raghavendra Rau¹, Yan Leung Cheung², Aris Stouraitis²

¹Judge Business School; ²Hong Kong Baptist University

Discussant: Mariassunta Giannetti, Stockholm School of Economics

S1B

Corporate Finance

Chair: Morten Sørensen, Columbia Business School

Private Equity and the Resolution of Financial Distress

Per J Strömberg¹, Edie Hotchkiss², David C. Smith³

¹Stockholm School of Economics; ²Boston College; ³University of Virginia

Discussant: David Robinson, Duke University

Conflicts of interest on corporate boards: The effect of creditor-directors on acquisitions

Elif Sisli Ciamarra, Jens Hilscher

Brandeis University

Discussant: Mark Andrew Chen, Georgia State University

Government Ownership and the Cost of Debt: Evidence from Government Investments in Publicly Traded Firms

Ginka Borisova¹, Veljko Fotak², Kate Holland², William Megginson²

¹Iowa State University; ²university of Oklahoma

Discussant: Ramin Baghai, Stockholm School of Economics

Saturday 18 August 2012

9:00am - 10:30am

S1C

Behavioral Finance - Theory

Chair: Augustin Landier, Toulouse School of Economics

Financing and managerial support with (some) optimistic entrepreneurs

Laurent Vilanova

University Lyon 2

Discussant: Chris Yung, University of Virginia

Financing from Family and Friends

Samuel Lee¹, Petra Persson²

¹New York University; ²Columbia University

Discussant: Francois Degeorge, Swiss Finance Institute

Why Do Employees Like To Be Paid With Options? A Multi-period Prospect Theory Approach

Lei Sun¹, Martin Widdicks²

¹HSBC School of Business, Peking University; ²Department of Finance, University of Illinois at Urbana-Champaign

Discussant: Thomas Eisenbach, Federal Reserve Bank of New York

S1D

Financial Intermediation: Banking - VI

Chair: Søren Hvidkjær, Copenhagen Business School

Flight to Where? Evidence from Bank Investments During the Financial Crisis

Alexander Schulz¹, Thomas Hildebrand², Jörg Rocholl²

¹Deutsche Bundesbank; ²ESMT Berlin

Discussant: David Lando, Copenhagen Business School

How do banks react to increased asset risk? Evidence from Hurricane Katrina

Claudia Lambert, Felix Noth, Ulrich Schüwer

Goethe University Frankfurt

Discussant: Marcel Bluhm, Xiamen University

Banks' Liability Structure and Mortgage Lending During the Crisis

Jihad Dagher, Kazim Kazimov

International Monetary Fund

Discussant: Sudheer Chava, Georgia Institute of Technology

Saturday 18 August 2012
9:00am - 10:30am

S1E

Asset Pricing Models I

Chair: Lubos Pastor, University of Chicago

Inefficient Investment Waves

Peter Kondor¹, Zhiguo He²

¹Central European University; ²Chicago Booth School of Business

Discussant: Howard Kung, Duke University

Concentrated Ownership and Equilibrium Asset Prices

Valentin Haddad

University of Chicago

Discussant: Jack Favilukis, London School of Economics

An Intertemporal CAPM with Stochastic Volatility

Christopher Polk¹, John Campbell², Stefano Giglio³, Robert Turley²

¹London School of Economics; ²Harvard University; ³University of Chicago

Discussant: Torben Andersen, Northwestern University

S1F

Market Microstructure II

Chair: Thierry Foucart, HEC Paris

What's Not There: The Odd-Lot Bias in TAQ Data

Mao Ye¹, Maureen O'Hara², Chen Yao¹

¹University of Illinois, Urbana-Champaign; ²Cornell University

Discussant: Patrik Sandas, university of Virginia, McIntire School of Commerce

Diving into Dark Pools

Ingrid Werner¹, Sarina Buti², Barbara Rindi³

¹Ohio State University; ²University of Toronto; ³Bocconi University

Discussant: Mark Van Achter, Rotterdam School of Management, Erasmus University

Identifying Cross-Sided Liquidity Externalities

Elvira Sojli¹, Wing Wah Tham², Johannes Skjeltorp³

¹Rotterdam School of Management, Erasmus University; ²Erasmus University; ³Norges Bank

Discussant: Thierry Foucart, HEC Paris

Saturday 18 August 2012
9:00am - 10:30am

S1G

Stock Prices and Returns

Chair: Lukasz Pomorski, University of Toronto

Dividend Strips and the Term Structure of Equity Risk Premia: A Case Study of Limits to Arbitrage

Oliver Boguth¹, Murray Carlson², Adlai Fisher², Mikhail Simutin³

¹Arizona State University; ²University of British Columbia; ³University of Toronto

Discussant: Grigory Vilkov, Goethe University Frankfurt

Financing Constraints, Product Market Competition, and Business Cycle Sensitivity

Peter Pontuch

Universite Paris-Dauphine

Discussant: Evgeny Lyandres, Boston University and IDC

Does Academic Research Destroy Stock Return Predictability?

David McLean², Jeffrey Pontiff¹

¹Alberta and MIT; ²Boston College

Discussant: Michela Verardo, London School of Economics

S1H

Mutual Funds and Hedge Funds II

Chair: Veronika Pool, Indiana University

Strategic Mutual Fund Tournaments

Neal Stoughton¹, Joe Chen², Eric Hughson³

¹Vienna University of Economics and Business; ²UC Davis; ³Claremont McKenna

Discussant: Ashish Tiwari, University of Iowa

The Geography of Mutual Funds: The Advantage of Distant Investors

Miguel Ferreira¹, Massimo Massa², Pedro Matos³

¹Nova School of Business and Economics; ²INSEAD; ³University of Virginia, Darden School of Business

Discussant: Gennaro Bernile, University of Miami

Incentives and Endogenous Risk Taking: Implications for Hedge Fund Alphas

Worrawat Sritrakul¹, Andrea Buraschi^{1,2}, Robert Kosowski¹

¹Imperial College London Business School; ²The University of Chicago

Discussant: Loriana Pelizzon, Università Ca' Foscari Venezia

Saturday 18 August 2012
11:00am - 12:30pm

S2A

Corporate Governance: Boards - II

Chair: Aleksandra Gregoric, Copenhagen Business School

Does the Location of Directors Matter? Information Acquisition and Board Decisions

Mark A. Chen¹, Zinat S. Alam², Conrad S. Ciccotello¹, Harley E. Ryan. Jr.¹

¹Georgia State University; ²Florida Atlantic University

Discussant: Bunyamin Onal, Aalto University School of Business

How Do Firms and Directors Choose Each Other? Evidence from a Two-sided Matching Model of the Director Labor Market

Egor Matveyev

University of Rochester

Discussant: Cornelius Schmidt, University of Lausanne/Swiss Finance Institute

Reputation Concerns of Independent Directors: Evidence from Individual Director Voting

Shan Zhao¹, Wei Jiang², Hualin Wan³

¹Shanghai University of Finance and Economics; ²Columbia Business School; ³Shanghai Lixin University of Commerce

Discussant: Sheng Huang, Singapore Management University

S2B

Corporate Finance: Convertible bonds

Chair: Ken L. Bechmann, Copenhagen Business School

Agency Costs, Information, and the Structure of Corporate Debt Covenants

Malcolm Wardlaw¹, Richard Lowery²

¹University of Texas at Dallas; ²University of Texas at Austin

Discussant: Karan Bhanot, University of Texas

Convertible debt and investment timing

Alexei Zhdanov¹, Evgeny Lyandres²

¹University of Lausanne, Swiss Finance Institute; ²Boston University

Discussant: Christian Riis Flor, University of Southern Denmark

Dividend-protected convertible bonds and the disappearance of call delay

Patrick Verwijmeren¹, Bruce D. Grundy²

¹VU University Amsterdam; ²University of Melbourne

Discussant: Louis Ederington, University of Oklahoma

Saturday 18 August 2012
11:00am - 12:30pm

S2C

Inflation and Asset Prices

Chair: Carsten Sorensen, Copenhagen Business School

Equilibrium Growth, Inflation, and Bond Yields

Howard Kung

Duke University

Discussant: Christian Heyerdahl-Larsen, London Business School

The Economics of Options-Implied Inflation

Yuriy Kitsul¹, Jonathan Wright²

¹Federal Reserve Board; ²Johns Hopkins University

Discussant: Pavol Povala, University of Lugano

Beliefs about Inflation and the Term Structure of Interest Rates

Paul Ehling², Michael Gallmeyer³, Christian Heyerdahl-Larsen⁴, Philipp Illieditsch¹

¹Wharton School; ²BI - Norwegian Business School; ³The McIntire School of Commerce, University of Virginia; ⁴London Business School

Discussant: Rodolfo Prieto, Boston University

S2D

Financial Intermediation: Banking VII

Chair: Andrew Winton, University of Minnesota

Multiple-Bank Lending, Creditor Rights and Information Sharing

Marco Pagano¹, Alberto Bennardo², Salvatore Piccolo³

¹Università di Napoli Federico II; ²Università di Salerno; ³Università Cattolica di Milano

Discussant: Yaron Leitner, Federal Reserve Bank of Philadelphia

Interbank network and bank bailouts: Insurance mechanism for non-insured creditors?

Christian Eufinger¹, Tim Eisert²

¹Goethe University Frankfurt; ²Goethe University Frankfurt

Discussant: Agnese Leonello, Wharton Financial Institutions Research Center, University of Pennsylvania

Strategic Risk Taking with Systemic Externalities

Andrea M Buffa

Boston University

Discussant: Semyon Malamud, Swiss Finance Institute, Ecole Polytechnique Federale de Lausanne (EPFL)

Saturday 18 August 2012

11:00am - 12:30pm

S2E

Asset Pricing Models II

Chair: Lasse H. Pedersen, Copenhagen Business School

Dynamic Networks and Asset Pricing

Andrea Buraschi^{1,2}, Paolo Porchia³

¹University of Chicago Booth School; ²Imperial College London; ³IE Business School

Discussant: Semyon Malamud, Ecole Polytechnique Fédérale de Lausanne (EPFL)

Political Uncertainty and Risk Premia

Lubos Pastor, Pietro Veronesi

University of Chicago, Booth School

Discussant: Peter Kondor, Central European University

Infrequent Renegotiation of Wages: A Solution to Several Asset Pricing Puzzles

Jack Favilukis¹, Xiaoji Lin²

¹London School of Economics; ²Ohio State University

Discussant: Lukas Schmid, Duke University

S2F

International Finance III

Chair: Maik Schmeling, Leibniz Universität, Hannover

International Correlation Risk

Philippe Mueller¹, Andreas Stathopoulos², Andrea Vedolin¹

¹London School of Economics; ²University of Southern California

Discussant: Paul Schneider, Warwick Business School

Conditional Currency Risk Premia

Michael Weber, Martin Lettau, Matteo Maggiori

UC Berkeley, Haas School of Business

Discussant: Harald Hau, University of Geneva

Liquidity in the Foreign Exchange Market: Measurement, Commonality, and Risk Premiums

Loriano Mancini¹, Angelo Rinaldo², Jan Wrampelmeyer³

¹University of St. Gallen; ²Swiss Finance Institute EPFL; ³University of St. Gallen

Discussant: Elvira Sojli, Rotterdam School of Management, Erasmus University

Saturday 18 August 2012

11:00am - 12:30pm

S2G

Asset Pricing - Risk Premia and Options

Chair: Claus Munk, Copenhagen Business School

Unknown Unknowns: Vol-of-Vol and the Cross Section of Stock Returns

Guido Baltussen, Sjoerd Van Bakkum

Erasmus University

Discussant: Nicole Branger, University of Münster

Cumulative Prospect Theory and the Volatility Premium

Juan M. Londono¹, Lieven Baele², Joost Driessen², Oliver Spalt²

¹Federal Reserve Board; ²Tilburg University

Discussant: Lei Sun, HSBC Beijing

Illiquidity Premia in the Equity Options Market

Peter Christoffersen¹, Mehdi Karoui², Kris Jacobs³, Ruslan Goyenko²

¹University of Toronto; ²McGill University; ³University of Houston

Discussant: Anders Bjerre Trolle, Ecole Polytechnique Fédérale de Lausanne (EPFL)

S2H

Delegated Investments and Performance

Chair: Miguel Ferreira, NOVA Portugal

Mutual Fund Competition and Profiting from the Post Earnings Announcement Drift

Xuanjuan Chen¹, Tong Yao², Ashiq Ali³, Tong Yu⁴

¹Kansas State University; ²University of Iowa; ³University of Texas at Dallas; ⁴University of Rhode Island

Discussant: David Schumacher, INSEAD

Do Private Equity Managers Earn their Fees? Compensation, Ownership and Cash Flow Performance

David T Robinson¹, Berk Sensoy²

¹Duke University; ²Ohio State University

Discussant: Per Stromberg, Stockholm School of Economics

The Valuation of Hedge Funds' Equity Positions

Gjergji Cici², Alexander Kempf¹, Alexander Puetz¹

¹University of Cologne; ²College of William & Mary

Discussant: Robert Kosowski, Imperial College