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W E S T E R N

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A S S O C I A T I O N

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# 2004 Program

39th Annual Conference  
of the  
Western Finance Association

The Fairmont Waterfront  
Vancouver, British Columbia  
Canada

June 23-26, 2004

## WESTERN FINANCE ASSOCIATION

..a professional society administered in the United States and Canada for academicians and practitioners with a scholarly interest in the development and application of theory in finance.

Its purposes are (1) to serve as a focal point for communication among members, (2) to improve teaching and scholarship, and (3) to provide for the dissemination of information, including the holding of meetings and the support of publications.

The Association is an international organization with membership open to individuals from both the academic and professional community, and to institutions. Membership includes subscriptions to any occasional and regular publications sponsored or co-sponsored by the Association. Two classes of membership are available: lifetime membership (\$100.00) and three year membership (\$30.00). Members of the Association are entitled to receive a reduction in the registration fee at the annual meetings. You are invited to join or renew on-line at the WFA's informational web site, <http://www.westernfinance.org>.

Correspondence regarding membership and other business aspects of the Association should be addressed to:

Professor Duane Seppi  
Secretary-Treasurer, WFA  
Tepper School of Business  
Carnegie Mellon University  
Pittsburgh, PA 15213  
Email: [ds64@andrew.cmu.edu](mailto:ds64@andrew.cmu.edu)  
Telephone: (412) 268-2298

A call for papers and participants for the 2005 Conference of the Western Finance Association appears at the end of this program.

## **REGISTRATION AND HOTEL INFORMATION**

All sessions and conference functions will be held in or outside the Fairmont Waterfront, Vancouver, British Columbia, Canada. On-site registration for the conference will be located in the Foyer on the following schedule:

Wednesday, June 23, 2:00pm – 7:00pm

Thursday, June 24, 8:00am – 4:00pm

Friday, June 25, 8:00am – 12:00noon

### **PRE-REGISTRATION**

Pre-registration is being handled this year via our web site, which can be found at <http://www.westernfnance.org>. Those who pre-register are entitled to a discount on registration fees. To qualify for these discounted rates you must pre-register before June 1. See the web site for details or send your check to the Secretary-Treasurer at the address shown on the previous page.

### **FEE SCHEDULE**

|            | Pre-Registration | On-site Registration |
|------------|------------------|----------------------|
| WFA member | \$50             | \$85                 |
| Non-member | \$80             | \$125                |
| Student    | No Charge        | \$30                 |

### **SPECIAL EVENT REGISTRATION**

Registration for the WFA Annual Meeting, Luncheon, and other special events will be done at the time of pre-registration on the WFA website and on-site (subject to availability) for those who do not pre-register. Registration is required for the Goldman Sachs Reception, Nasdaq Breakfast, the Journal of Investment Management Luncheon, Cornerstone Reception, CRSP Breakfast, the WFA Annual Luncheon sponsored by LECG, and Review of Financial Studies/Barclays Global Investors Reception.

### **SOCIETY FOR FINANCIAL STUDIES MEMBERSHIP MEETING**

All members of the SFS are invited to attend the Annual Meeting to be held on Friday, June 25 from 5:00pm-6:00pm in the Princess Luisa Suite. All subscribers to the Review of Financial Studies are members of the SFS.

# WESTERN FINANCE ASSOCIATION

## Officers and Executive Committee: 2003-2004

|                     |   |
|---------------------|---|
| President           | René M. Stulz, Ohio State University                  |
| President-Elect     | Ravi Jagannathan, Northwestern University             |
| Vice President      | Mark Grinblatt, University of California, Los Angeles |
| Secretary-Treasurer | Robert Dammon, Carnegie Mellon University             |
| Past President      | Philip H. Dybvig, Washington University, St. Louis    |
| Directors           | Yacine Aït-Sahalia, Princeton University              |
|                     | Michael J. Fishman, Northwestern University           |
|                     | Campbell R. Harvey, Duke University                   |
|                     | John J. McConnell, Purdue University                  |
|                     | Ingrid M. Werner, Ohio State University               |
|                     | Jaime Zender, University of Colorado                  |

## Presidents: 1965-2003

|         |                    |  |
|---------|--------------------|--|
| 1965-66 | Kenneth L. Trefftz | University of Southern California        |
| 1966-67 | Edward Reed        | University of Oregon                     |
| 1967-68 | Robert Carr        | Fresno State College                     |
| 1968-69 | Burton Kolb        | University of Colorado                   |
| 1969-70 | Lester Stickler    | Oregon State University                  |
| 1970-71 | Harold Stevenson   | Arizona State University                 |
| 1971-72 | W. Scott Bauman    | University of Oregon                     |
| 1972-73 | David Eiteman      | University of California,<br>Los Angeles |
| 1973-74 | James Wert         | University of Arizona                    |
| 1974-75 | George Kaufman     | University of Oregon                     |
| 1975-76 | John Herzog        | Simon Fraser University                  |
| 1976-77 | A. Blaine Huntsman | University of Utah                       |
| 1977-78 | David Pyle         | University of California, Berkeley       |
| 1978-79 | Guilford Babcock   | University of Southern California        |
| 1979-80 | Donald Farrar      | University of Utah                       |
| 1980-81 | Charles D'Ambrosio | University of Washington                 |
| 1981-82 | James Van Horne    | Stanford University                      |
| 1982-83 | Edward Dyl         | University of Wyoming                    |
| 1983-84 | Nils Hakansson     | University of California, Berkeley       |
| 1984-85 | Seha Tinic         | University of Texas, Austin              |

|         |                     |  |
|---------|---------------------|--|
| 1985-86 | Alan Kraus          | University of British Columbia           |
| 1986-87 | Gerald Bierwag      | University of Arizona                    |
| 1987-88 | Robert Litzenberger | University of Pennsylvania               |
| 1988-89 | Alan Hess           | University of Washington                 |
| 1989-90 | Lemma Senbet        | University of Maryland                   |
| 1990-91 | Eduardo Schwartz    | University of California,<br>Los Angeles |
| 1991-92 | Stephen Brown       | New York University                      |
| 1992-93 | Hans Stoll          | Vanderbilt University                    |
| 1993-94 | Kenneth Singleton   | Stanford University                      |
| 1994-95 | Milton Harris       | University of Chicago                    |
| 1995-96 | Chester S. Spatt    | Carnegie Mellon University               |
| 1996-97 | Michael Brennan     | University of California,<br>Los Angeles |
| 1997-98 | Maureen O'Hara      | Cornell University                       |
| 1998-99 | Franklin Allen      | University of Pennsylvania               |
| 1999-00 | Richard C. Green    | Carnegie Mellon University               |
| 2000-01 | Wayne Ferson        | University of Washington                 |
| 2001-02 | Douglas W. Diamond  | University of Chicago                    |
| 2002-03 | Philip H. Dybvig    | Washington University, St. Louis         |
| 2003-04 | René M. Stulz       | Ohio State University                    |

## Distinguished Speakers

### WFA Annual Meeting Speakers 1979-2004

| <b>Year</b> | <b>Location</b>  | <b>Speaker</b>        |
|-------------|------------------|-----------------------|
| 1979        | San Francisco    | Nils Hakansson        |
| 1980        | San Diego        | Kenneth Arrow         |
| 1981        | Jackson Lake     | Eugene Fama           |
| 1982        | Portland         | Stephen Ross          |
| 1983        | Long Beach       | Myron Scholes         |
| 1984        | Vancouver        | Richard Roll          |
| 1985        | Scottsdale       | Robert Litzenberger   |
| 1986        | Colorado Springs | Merton Miller         |
| 1987        | San Diego        | Edward Kane           |
| 1988        | Napa             | Sanford Grossman      |
| 1989        | Seattle          | William Sharpe        |
| 1990        | Santa Barbara    | Michael Brennan       |
| 1991        | Jackson Lake     | Fischer Black         |
| 1992        | San Francisco    | Myron Scholes         |
| 1993        | Whistler         | Alan Kraus            |
| 1994        | Santa Fe         | Mark Rubinstein       |
| 1995        | Aspen            | Kenneth French        |
| 1996        | Sunriver         | Joseph Williams       |
| 1997        | San Diego        | Richard Thaler        |
| 1998        | Monterey         | Milton Harris         |
| 1999        | Santa Monica     | Andrei Shleifer       |
| 2000        | Sun Valley       | Kenneth Singleton     |
| 2001        | Tucson           | Robert Shiller        |
| 2002        | Park City        | Albert S. "Pete" Kyle |
| 2003        | Los Cabos        | Richard Kihlstrom     |
| 2004        | Vancouver        | Michael C. Jensen     |

## 2004 Program Committee

**Program Chair** Ravi Jagannathan, Northwestern University

**Associate Program Chair** Kathleen Hagerty, Northwestern University

Reena Aggarwal, Georgetown University

Yiorgos “George” Allayannis, University of Virginia

Torben G. Andersen, Northwestern University

Andrew Ang, Columbia University

Warren B. Bailey, Cornell University

Gurdip Bakshi, University of Maryland

Brad M. Barber, University of California, Davis

Geert Bekaert, Columbia University

Luca Benzoni, University of Minnesota

Jonathan B. Berk, University of California, Berkeley

Hendrik Bessembinder, University of Utah

Sanjai Bhagat, University of Colorado, Boulder

Utpal Bhattacharya, Massachusetts Institute of Technology

Bruno Biais, University of Toulouse

Tim Bollerslev, Duke University

Peter Bossaerts, California Institute of Technology

Jacob Boudoukh, New York University

Michael Brandt, Duke University

David P. Brown, University of Wisconsin, Madison

Jennifer Carpenter, New York University

David A. Chapman, Boston College

Thomas Chemmanur, Boston College

Tarun Chordia, Emory University

Bhagwan Chowdhry, University of California, Los Angeles

Stijn Claessens, University of Amsterdam

Pierre Collin-Dufresne, Carnegie Mellon University

Jennifer Conrad, University of North Carolina, Chapel Hill

Francesca Cornelli, London Business School

Joshua Coval, Harvard University

Domenico Cuoco, University of Pennsylvania

Kent D. Daniel, Northwestern University

Diane Del Guercio, University of Southern California

David Denis, Purdue University

Diane K. Denis, Purdue University

Craig Doidge, University of Toronto

Ian Domowitz, ITG, Inc.

Gregory R. Duffee, University of California, Berkeley

Darrell Duffe, Stanford University  
Philip H. Dybvig, Washington University, St. Louis  
B. Espen Eckbo, Dartmouth College  
Vihang Errunza, McGill University  
Michael J. Fishman, Northwestern University  
Mark Flannery, University of Florida  
Jeff Fleming, Rice University  
Paolo Fulghieri, University of North Carolina, Chapel Hill  
Louis Gagnon, Queen's University  
Christopher C. Géczy, University of Pennsylvania  
Simon Gervais, Duke University  
Ron Giammarino, University of British Columbia  
William Goetzmann, Yale University  
Robert Goldstein, Washington University, St. Louis  
Paul Gompers, Harvard University  
John Graham, Duke University  
John Griffin, Yale University  
Bing Han, Ohio State University  
Jeffrey H. Harris, University of Delaware  
Lawrence E. Harris, University of Southern California and SEC  
Milton Harris, University of Chicago  
Campbell R. Harvey, Duke University  
Joel Hasbrouck, New York University  
John Heaton, University of Chicago  
Jean Helwege, Ohio State University  
David Hirshleifer, Ohio State University  
Laurie Hodrick, Columbia University  
Craig W. Holden, Indiana University  
Burton Hollifield, Carnegie Mellon University  
Harrison Hong, Princeton University  
Edie Hotchkiss, Boston College  
Kewei Hou, Ohio State University  
Eric Hughson, University of Colorado, Boulder  
Eslyn Jean-Baptiste, Columbia University  
Narashimhan Jegadeesh, Emory University  
Kose John, New York University  
Charles M. Jones, Columbia University  
Christopher Jones, University of Southern California  
Philippe Jorion, University of California, Irvine  
Jun-Koo Kang, Michigan State University  
Gautam Kaul, University of Michigan  
Donald Keim, University of Pennsylvania  
Naveen Khanna, Michigan State University  
Bong-Chan Kho, Ohio State University  
Leonid Kogan, Massachusetts Institute of Technology

Robert A. Korajczyk, Northwestern University  
Jennifer Koski, University of Washington  
Arvind Krishnamurthy, Northwestern University  
Rafael LaPorta, Dartmouth College  
J. Chris Leach, University of Colorado, Boulder  
Charles M.C. Lee, Cornell University  
Michael Lemmon, University of Utah  
Martin Lettau, New York University  
Jonathan Lewellen, Massachusetts Institute of Technology  
Karl V. Lins, University of Utah  
Jun Liu, University of California, Los Angeles  
Claudio Loderer, Universität Bern  
Francis Longstaff, University of California, Los Angeles  
Anthony Lynch, New York University  
Richard Lyons, University of California, Berkeley  
Craig MacKinlay, University of Pennsylvania  
Ananth Madhavan, Barclays Global Investors  
Vojislav Maksimovic, University of Maryland  
Robert L. McDonald, Northwestern University  
Andrew Metrick, University of Pennsylvania  
Roni Michaely, Cornell University  
Todd Milbourn, Washington University, St. Louis  
Darius Miller, Indiana University  
Bernadette Minton, Ohio State University  
Tobias “Toby” Moskowitz, University of Chicago  
David Musto, University of Pennsylvania  
Thomas Noe, Tulane University  
Barbara Ostdiek, Rice University  
Marco Pagano, Università di Napoli Federico II  
Darius Palia, Rutgers University  
Jun Pan, Massachusetts Institute of Technology  
Robert Parrino, University of Texas, Austin  
Lubos Pastor, University of Chicago  
George Pennacchi, University of Illinois, Urbana-Champaign  
Enrico C. Perotti, Universiteit van Amsterdam  
Mitchell A. Petersen, Northwestern University  
Gordon Phillips, University of Maryland & NBER  
Monika Piazzesi, University of Chicago  
Christo Pirinsky, Texas A&M University  
Christopher K. Polk, Northwestern University  
Manju Puri, Duke University  
Mark Ready, University of Wisconsin, Madison  
Jay Ritter, University of Florida  
Bryan Routledge, Carnegie Mellon University  
Pedro Santa-Clara, University of California, Los Angeles

Paola Sapienza, Northwestern University  
James S. Schallheim, University of Utah  
Paul Schultz, University of Notre Dame  
Lemma Senbet, University of Maryland  
Duane Seppi, Carnegie Mellon University  
Piet Sercu, Katholieke Universiteit Leuven  
Henri Servaes, London Business School  
Jay Shanken, Emory University  
Matthew Spiegel, Yale University  
Laura Starks, University of Texas, Austin  
Neal Stoughton, University of California, Irvine  
Per Strömberg, University of Chicago  
Avanidhar “Subra” Subrahmanyam, University of California, Los Angeles  
Suresh Sundaresan, Columbia University  
Michael Stutzer, University of Colorado, Boulder  
Bhaskaran “Swami” Swaminathan, Cornell University  
Chris Telmer, Universitat Pompeu Fabra and Carnegie Mellon University  
Siew Hong Teoh, Ohio State University  
Karin S. Thorburn, Dartmouth College  
Walter Torous, University of California, Los Angeles  
Alexander Triantis, University of Maryland  
Charles Trzcinka, Indiana University  
Peter Tufano, Harvard University  
Raman S. Uppal, London Business School  
Maria Vassalou, Columbia University  
Dimitri Vayanos, Massachusetts Institute of Technology  
Pietro Veronesi, University of Chicago  
Annette Vissing-Jorgensen, Northwestern University  
S. (Vish) Viswanathan, Duke University  
Ernst-Ludwig von Thadden, University of Lausanne  
Zhenyu Wang, Columbia University  
Michael S. Weisbach, University of Illinois, Urbana-Champaign  
Russell Wermers, University of Maryland  
Ingrid M. Werner, Ohio State University  
James Weston, Rice University  
Rohan Williamson, Georgetown University  
Andrew Winton, University of Minnesota  
Kent L. Womack, Dartmouth College  
Jeffrey Wurgler, New York University  
David Yermack, New York University  
Josef Zechner, University of Vienna  
Guofu Zhou, Washington University, St. Louis  
Luigi Zingales, University of Chicago

# PROGRAM SUMMARY

## Wednesday, June 23, 2004

2:00 pm – 7:00 pm

On-site Registration – *The Fairmont Waterfront Hotel, Foyer*

6:00 pm – 8:00 pm

Goldman Sachs Reception – *Poolside and Terrace Suite (Rain Location: Waterfront Ballroom C and Waterfront Ballroom Foyer)*

## Thursday, June 24, 2004

7:00 am – 8:30 am

Nasdaq Breakfast – *Waterfront Ballroom C*

8:00 am – 4:00 pm

On-site Registration - *The Fairmont Waterfront Hotel, Foyer*

8:15 am - 10:00 am

Security Design - *MacKenzie I*

Term Structure - *MacKenzie II*

Microstructure - *Malaspina*

Asset Pricing Theory – *Cheakamus*

Analyst Forecasts & Stock Returns – *Waterfront Ballroom A*

10:00 am – 10:15 am

Coffee Break - *Foyer*

10:15 am – 12:00 pm

Corporate Finance A - *MacKenzie I*  
International Equity Investments - *MacKenzie II*  
Banking A - *Cheakamus*  
Equity Investing with Taxes & Borrowing Constraints – *Malaspina*  
Mutual Funds – *Waterfront Ballroom A*

12:30 pm – 2:00 pm

Journal of Investment Management Luncheon – *Waterfront Ballroom*

2:45 pm – 4:30 pm

Corporate Use of Derivatives – *MacKenzie I*  
Asset Pricing – Empirical – *MacKenzie II*  
Liquidity – *Cheakamus*  
Predictability – *Malaspina*  
Financing Constraints – *Waterfront Ballroom A*

5:00 pm – 6:30 pm

WFA Executive Committee and Board of Directors Meeting  
– *Burrard Suite*

6:00 pm – 8:00 pm

Cornerstone Research Reception – *Poolside and Terrace Suite (Rain Location: Waterfront Ballroom C and Waterfront Ballroom Foyer)*

## **Friday, June 25, 2004**

7:00am – 8:30am

CRSP Breakfast – *Waterfront Ballroom C*

8:00am – 12:00 noon

On-site Registration - *The Fairmont Waterfront Hotel, Foyer*

8:15am - 10:00am

Financial Contracting - *MacKenzie I*  
Options - *MacKenzie II*  
Market Design and Trading - *Cheakamus*  
Asset Pricing - Macro – *Malaspina*  
Corporate Finance B – *Waterfront Ballroom A*

10:00 am – 10:15 am

Coffee Break - *Foyer*

10:15 am – 12:00 pm

Corporate Finance C- *MacKenzie I*  
Investments - *MacKenzie II*  
Corporate Bonds - *Cheakamus*  
Analyst Forecasts & Recommendations – *Malaspina*  
IPOs – *Waterfront Ballroom A*

12:15 pm – 2:00 pm

WFA Annual Luncheon sponsored by LECG – *Waterfront Ballroom*

2:45pm – 4:30pm

Corporate Control A - *MacKenzie I*  
Asset Pricing Anomalies: Explanations - *MacKenzie II*  
Home Bias - *Cheakamus*  
Market Efficiency – Empirical – *Malaspina*  
Futures – *Waterfront Ballroom A*

5:00 pm – 6:00 pm

SFS Annual Meeting – *Princess Louisa Suite*

6:00 pm – 8:00 pm

Review of Financial Studies/Barclays Global Investors Reception  
- *Poolside and Terrace Suite (Rain Location: Waterfront Ballroom C and Waterfront Ballroom Foyer)*

**Saturday, June 26, 2004**

8:15 am - 10:00 am

Venture Capital & Contracting - *MacKenzie I*  
Asset Pricing – Econometrics - *MacKenzie II*  
Specialist Behavior - *Cheakamus*  
Portfolio Choice – *Malaspina*  
Banking B – *Waterfront Ballroom A*

10:00 am – 10:15 am

Coffee Break- *Foyer*

10:15 am – 12:00 pm

Corporate Control B - *MacKenzie I*  
Capital Structure - *MacKenzie II*  
International Diversification - *Cheakamus*  
Market Efficiency – Theory – *Malaspina*  
Behavioral Finance – *Waterfront Ballroom A*

## BEST PAPER AWARDS

Caesarea Award  
for the best paper on risk management

*Taking a View: On Corporate Speculation and Governance*

**Christopher C. Géczy**  
University of Pennsylvania  
**Bernadette Minton**  
Ohio State University  
**Catherine Schrand**  
University of Pennsylvania

Nasdaq Award  
for the best paper on capital formation

*How Do Legal Institutions and Learning Affect Financial Contracts*

**Per Strömberg**  
University of Chicago  
**Steven N. Kaplan**  
University of Chicago  
**Frederic Martel**  
UBS Global Asset Management

Western Finance Association Award  
for the best paper in corporate finance

*Investment and Financing Constraints: Evidence from the Funding of  
Corporate Pension Plans*

**Joshua Rauh**

MIT  
New York Stock Exchange Award  
for the best paper on equity trading

*Equilibrium in a Dynamic Limit Order Market*

**Ronald L. Goettler**  
**Christine A. Parlour**  
**Uday Rajan**  
Carnegie Mellon University

GSAM Quant Award  
for the best paper in investments

*Generalized Disappointment Aversion and Asset Prices*

**Bryan R. Routledge**

**Stanley E. Zin**

Carnegie Mellon University

Society of Quantitative Analysts Award  
for the student paper of most relevance  
to quantitative practitioners

*Good Times or Bad Times: Investors' Uncertainty and Stock Returns*

**Arzu Ozoguz**

INSEAD

Trefftzs Award  
for the best student paper

*Do Tests of Capital Structure Theory Mean What They Say?*

**Ilya A. Strebulaev**

London Business School

## **PROGRAM DETAIL**

**Wednesday, June 23, 2004, 2:00 pm – 7:00 pm**

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**Wednesday, June 23, 2004, 6:00 pm – 8:00 pm**

Goldman Sachs Reception – *Poolside and Terrace Suite*  
(*Rain Location: Waterfront Ballroom C and Waterfront Ballroom Foyer*)

**Thursday, June 24, 2004, 7:00 am – 8:30 am**

Nasdaq Breakfast - *Waterfront Ballroom C*

**Thursday, June 24, 2004, 8:00 am – 4:00 pm**

On-site Registration - *The Fairmont Waterfront Hotel, Foyer*

**Thursday, June 24, 2004, 8:15 am - 10:00 am**

**Security Design - MacKenzie I**  
Milton Harris, *University of Chicago*

**Tranching**  
Guillaume Plantin, *Carnegie Mellon University*

**Contingent Value Rights: Theory and Empirical Evidence**  
Sris Chatterjee, *Fordham University*  
An Yan, *Fordham University*

**An Analysis of Shareholder Agreements**  
Gilles Chemla, *University of British Columbia and CEPR*  
Michael A. Habib, *University of Zurich*  
Alexander P. Ljungqvist, *New York University and CEPR*

**Discussants:**  
Yaron Leitner, *Federal Reserve Bank of Philadelphia*  
Michael J. Fishman, *Northwestern University*  
Andrew Winton, *University of Minnesota*

## **Term Structure - MacKenzie II**

Gregory Duffee, *University of California, Berkeley*

### **Regime Shifts in a Dynamic Term Structure Model of U.S. Treasury Bond Yields**

Qiang Dai, *New York University*

Kenneth J. Singleton, *Stanford University*

Wei Yang, *Stanford University*

### **A Consumption-Based Model of the Term Structure of Interest Rates**

Jessica A. Wachter, *New York University and NBER*

### **Market Price of Risk Specification for Affine Models: Theory and Evidence**

Patrick Cheridito, *Princeton University*

Damir Filipovi, *Princeton University*

Robert L. Kimmel, *Princeton University*

### **Discussants:**

Hao Zhou, *Federal Reserve Board*

Ravi Bansal, *Duke University*

George Chacko, *Harvard University*

## **Microstructure – Malaspina**

Jennifer Conrad, *University of North Carolina, Chapel Hill*

### **A Comprehensive Test of Order Choice Theory: Recent Evidence from the NYSE**

Andrew Ellul, *Indiana University*

Craig W. Holden, *Indiana University*

Pankaj Jain, *University of Memphis*

Robert Jennings, *Indiana University*

### **Equilibrium in a Dynamic Limit Order Market**

Ronald L. Goettler, *Carnegie Mellon University*

Christine A. Parlour, *Carnegie Mellon University*

Uday Rajan, *Carnegie Mellon University*

### **Financial Intermediation and the Costs of Trading in an Opaque Market**

Richard C. Green, *Carnegie Mellon University*

Burton Holli field, *Carnegie Mellon University*

Norman Schürhoff, *Carnegie Mellon University*

**Discussants:**

Sunil Wahal, *Emory University*  
Hank Bessembinder, *University of Utah*  
Marc Lipson, *University of Georgia*

**Asset Pricing Theory – Cheakamus**

Robert Whitelaw, *New York University*

**Generalized Disappointment Aversion and Asset Prices**

Bryan R. Routledge, *Carnegie Mellon University*  
Stanley E. Zin, *Carnegie Mellon University and NBER*

**A Model of R&D Valuation and the Design of Research Incentives**

Jason C. Hsu, *University of California, Los Angeles*  
Eduardo S. Schwartz, *University of California, Los Angeles*

**Non-Redundant Derivatives in a Dynamic General Equilibrium Economy**

Harjoat Bhamra, *London Business School*  
Raman S. Uppal, *London Business School*

**Discussants:**

Tan Wang, *University of British Columbia*  
Alexander Triantis, *University of Maryland*  
Jun Liu, *University of California, Los Angeles*

**Analyst Forecasts & Stock Returns – Waterfront Ballroom A**

Narasimhan Jegadeesh, *Emory University*

**Why Does Analysts' Forecast Dispersion Predict Stock Returns? A Corporate Guidance Perspective**

Mark H. Liu, *Boston College*  
Danielle Xu, *University of Arizona*  
Tong Yao, *University of Arizona*

**Short Constraints, Difference of Opinion and Stock Returns**

Mohanaraman Gopalan, *Duke University*

**Analyst Disagreement, Forecast Bias and Stock Returns**

Anna Scherbina, *Harvard University*

**Discussants:**

Clifton Green, *Emory University*

Anchada Charoenrook, *Vanderbilt University*

Anup Agrawal, *University of Alabama, Tuscaloosa*

**Thursday, June 24, 2004, 10:00 am – 10:15 am**

Coffee Break - *Foyer*

**Thursday, June 24, 2004, 10:15 am – 12:00 pm**

**Corporate Finance A - MacKenzie I**

B. Espen Eckbo, *Dartmouth College*

**Corporate Financial Policy When There Are Tax-  
Intermediating Dealers**

Robert L. McDonald, *Northwestern University*

**Stock Market Liquidity and Firm Dividend Policy**

Suman Banerjee, *Tulane University*

Vladimir A. Gatchev, *Tulane University*

Paul A. Spindt, *Tulane University*

**Firms' Histories and Their Capital Structure**

Ayla Kayhan, *University of Texas, Austin*

Sheridan Titman, *University of Texas, Austin and NBER*

**Discussants:**

Richard C. Green, *Carnegie Mellon University*

Michael L. Lemmon, *University of Utah*

Jaime Zender, *University of Colorado, Boulder*

**International Equity Investments - MacKenzie II**

Ingrid M. Werner, *Ohio State University*

**Multi-Market Trading and Arbitrage**

Louis Gagnon, *Queen's University*

G. Andrew Karolyi, *Ohio State University*

**Stock Market Liberalization and the Information  
Environment**

Kee-Hong Bae, *Korea University*

Warren B. Bailey, *Cornell University*

Connie X. Mao, *Temple University*

**The Dynamics of International Equity Market Expectations**

Michael J. Brennan, *University of California, Los Angeles*

H. Henry Cao, *University of North Carolina, Chapel Hill*

Norman Strong, *University of Manchester*

Xinzhong Xu, *Peking University*

**Discussants:**

Sergei Sarkissian, *McGill University*

Campbell R. Harvey, *Duke University*

John Griffin, *University of Texas, Austin*

**Banking A – Cheakamus**

Manju Puri, *Duke University*

**Conflict of Interest or Certification? Evidence from IPOs**

**Underwritten by the Firm's Relationship Bank**

Luca Benzoni, *University of Minnesota*

Carola Schenone, *University of Minnesota*

**New Evidence from a Panel of Tax Returns**

Rebecca Zarutskie, *Duke University*

**A Theory of Banks' Industry Expertise, Market Power, and Credit Risk**

Alex Stomper, *University of Vienna*

**Discussants:**

Nagpurmanand R. Prabhala, *University of Maryland*

Mitchell A. Petersen, *Northwestern University*

Anjan Thakor, *Washington University, St. Louis*

**Equity Investing with Taxes & Borrowing Constraints – Malaspina**

Chester Spatt, *Carnegie Mellon University*

**Borrowing Costs and the Demand for Equity Over the Life-Cycle**

Steve Davis, *University of Chicago*

Felix Kubler, *Stanford University*

Paul Willen, *University of Chicago*

**Portfolio Investment with the Exact Tax Basis via Nonlinear Programming**

Angel-Victor DeMiguel, *London Business School*

Raman S. Uppal, *London Business School*

**Taxable and Tax-Deferred Investing with Portfolio Constraints**

Lorenzo Garlappi, *University of Texas, Austin*

Jennifer Huang, *University of Texas, Austin*

**Discussants:**

Rajnish Mehra, *University of California, Santa Barbara*

Hyeng Keun Koo, *Ajou University and Korea Advanced Institute of Science and Technology*

Robert M. Dammon, *Carnegie Mellon University*

**Mutual Funds – Waterfront Ballroom A**

Josef Lakonishok, *University of Illinois, Urbana-Champaign*

**Mutual Fund Competition and Stock Market Liquidity**

Massimo Massa, *INSEAD*

**A Rational Model of the Closed-End Fund Discount**

Jonathan B. Berk, *University of California, Berkeley*

Richard Stanton, *University of California, Berkeley*

**Is Money Really ‘Smart’? New Evidence on the Relation Between Mutual Fund Flows, Manager Behavior, and Performance Persistence**

Russ Wermers, *University of Maryland*

**Discussants:**

Neil Pearson, *University of Illinois, Urbana-Champaign*

Bruno Gerard, *Norwegian School of Management, Sandvika*

Louis Chan, *University of Illinois, Urbana-Champaign*

**Thursday, June 24, 2004, 12:30 pm – 2:00 pm**

Journal of Investment Management Luncheon – *Waterfront Ballroom*

**Thursday, June 24, 2004, 2:45 pm – 4:30 pm**

**Corporate Use of Derivatives - MacKenzie I**

Peter Tufano, *Harvard University*

**Does Hedging Really Affect Firm Value?**

Aziz A. Lookman, *Carnegie Mellon University*

**Currency Risk Management, Corporate Governance, and  
Financial Market Development**

Ugur Lel, *Indiana University*

**Taking a View: On Corporate Speculation and Governance**

Christopher C. Géczy, *University of Pennsylvania*

Bernadette Minton, *Ohio State University*

Catherine Schrand, *University of Pennsylvania*

**Discussants:**

Yiorgos “George” Allayannis, *University of Virginia*

Dirk Jenter, *MIT*

Robin Greenwood, *Harvard University*

**Asset Pricing – Empirical - MacKenzie II**

Kent D. Daniel, *Northwestern University*

**There is a Risk-Return Tradeoff After All**

Eric Ghysels, *University of North Carolina and CIRANO*

Pedro Santa-Clara, *University of California, Los Angeles and  
NBER*

Rossen Valkanov, *University of California, Los Angeles*

**The Conditional CAPM Does Not Explain Asset-Pricing  
Anomalies**

Jonathan Lewellen, *MIT and NBER*

Stefan Nagel, *Harvard University*

**Do the Fama-French Factors Proxy for Innovations in  
Predictive Variables?**

Ralitsa Petkova, *Case Western Reserve University*

**Discussants:**

Christopher K. Polk, *Northwestern University*

Zhenyu Wang, *Columbia University*

Michael Cooper, *Purdue University*

**Liquidity – Cheakamus**

Robert A. Korajczyk, *Northwestern University*

**Flight to Quality, Flight to Liquidity, and the Pricing of Risk**

Dimitri Vayanos, *MIT*

**Large Investors: Implications for Equilibrium Asset Returns, Shock Absorption, and Liquidity**

Matthew Pritsker, *Federal Reserve Board*

**Liquidity Risk and Asset Pricing**

Ronnie Sadka, *University of Washington*

**Discussants:**

Ming Huang, *Stanford University*

Albert S. “Pete” Kyle, *Duke University*

Michael Gallmeyer, *Carnegie Mellon University*

**Predictability - Malaspina**

Wayne Ferson, *Boston College*

**Can Managers Forecast Aggregate Market Returns?**

Alexander W. Butler, *University of South Florida*

Gustavo Grullon, *Rice University*

James P. Weston, *Rice University*

**Stock Return Predictability: Is It There?**

Andrew Ang, *Columbia University*

Geert Bekaert, *Columbia University*

**On the Importance of Measuring Payout Yield: Implications for Empirical Asset Pricing**

Jacob Boudoukh, *New York University, IDC and NBER*

Roni Michaely, *Cornell University and IDC*

Matthew Richardson, *New York University and NBER*

Michael R. Roberts, *Duke University*

**Discussants:**

Edward Rice, *University of Washington*

Timothy Simin, *Pennsylvania State University*

Michael Goldstein, *Babson College*

**Financing Constraints – Waterfront Ballroom A**

David Ikenberry, *University of Illinois, Urbana-Champaign*

**Collateral Channel and Credit Cycle: Evidence from the Land-Price Collapse in Japan**

Jie Gan, *Hong Kong University of Science and Technology*

**Investment and Financing Constraints: Evidence from the Funding of Corporate Pension Plans**

Joshua Rauh, *MIT*

**The Market Value of Cash**

Michael Faulkender, *Washington University, St. Louis*

Robert S. Goldstein, *Washington University, St. Louis*

Rong Wang, *Washington University, St. Louis*

**Discussants:**

Yasushi Hamao, *University of Southern California*

Murillo Campello, *University of Illinois, Urbana-Champaign*

Rohan Williamson, *Georgetown University*

**Thursday, June 24, 2004, 5:00 pm – 6:30 pm**

WFA Executive Committee and Board of Directors Meeting  
– *Burrard Suite*

**Thursday, June 24, 2004, 6:00 pm – 8:00 pm**

Cornerstone Research Reception – *Poolside and Terrace Suite (Rain Location: Waterfront Ballroom C and Waterfront Ballroom Foyer)*

**Friday, June 25, 2004, 7:00 am – 8:30 am**

CRSP Breakfast - *Waterfront Ballroom C*

**Friday, June 25, 2004, 8:00 am – 12:00 pm**

On-site Registration – *The Fairmont Waterfront Hotel, Foyer*

**Friday, June 25, 2004, 8:15 am - 10:00 am**

**Financial Contracting - MacKenzie I**

Josef Zechner, *University of Vienna*

**Agency and Optimal Investment Dynamics**

Peter M. DeMarzo, *Stanford University*

Michael J. Fishman, *Northwestern University*

## **Design and Renegotiation of Debt Covenants**

Nicolae Gârleanu, *University of Pennsylvania*

Jeffrey Zwiebel, *Stanford University*

## **The Dynamics of Financing Constraints and Investor Protection**

Nisan Langberg, *Northwestern University*

### **Discussants:**

Hugo Hopenhayn, *University of California, Los Angeles*

Neal Stoughton, *University of California, Irvine*

Youchang Wu, *University of Vienna*

## **Options – MacKenzie II**

Francis Longstaff, *University of California, Los Angeles*

## **Interest Rate Caps “Smile” Too! But Can the LIBOR Market Models Capture It?**

Robert Jarrow, *Cornell University*

Haitao Li, *Cornell University*

Feng Zhao, *Cornell University*

## **Can Tests Based on Option Hedging Errors Correctly Identify Volatility Risk Premia?**

Nicole Branger, *Goethe University*

Christian Schlag, *Goethe University*

## **Option Valuation with Conditional Skewness**

Peter Christoffersen, *McGill University and CIRANO*

Steve Heston, *University of Maryland*

Kris Jacobs, *McGill University and CIRANO*

### **Discussants:**

Jefferson Duarte, *University of Washington*

Jun Pan, *MIT*

Sanjiv Das, *Santa Clara University*

## **Market Design and Trading – Cheakamus**

Ananth Madhavan, *Barclays Global Investors*

## **The Impact of Market Design and Institutional Features on World Equity Market Performance**

Peter L. Swan, *University of New South Wales*

Joakim Westerholm, *University of Sydney*

**Which Witches Better? A Cross-Market Comparison of Extreme Liquidity Shocks**

Michael J. Barclay, *University of Rochester*

Terrence Hendershott, *University of California, Berkeley*

Charles M. Jones, *Columbia University*

**Transaction-Data Analysis of Marked Durations and Their Implications for Market Microstructure**

Anthony Tay, *Singapore Management University*

Christopher Ting, *Singapore Management University*

Yiu Kuen Tse, *Singapore Management University*

Mitchell C. Warachka, *Singapore Management University*

**Discussants:**

George Sofanos, *Goldman Sachs*

Frank Hatheway, *Nasdaq*

Joel Hasbrouck, *New York University*

**Asset Pricing - Macro – Malaspina**

Peter Bossaerts, *California Institute of Technology*

**Sector Investments Growth Rates and the Cross-Section of Equity Returns**

Qing Li, *Columbia University*

Maria Vassalou, *Columbia University*

Yuhang Xing, *Rice University*

**Asset Pricing with Durable Goods and Non-Homothetic Preferences**

Michal Pakoš, *University of Chicago*

**Human Capital, Business Cycles and Asset Pricing**

Min Wei, *Columbia University*

**Discussants:**

Elena Asparouhova, *University of Utah*

Bryan R. Routledge, *Carnegie Mellon University*

Dirk Hackbarth, *Indiana University*

**Corporate Finance B – Waterfront Ballroom A**

John Graham, *Duke University*

**Informational Efficiency and Liquidity Premium as the Determinants of Capital Structure**

Chun Chang, *University of Minnesota*

Xiaoyun Yu, *Indiana University*

**A Theory of Takeovers and Disinvestment**

Bart M. Lambrecht, *Lancaster University*

Stewart C. Myers, *MIT*

**On the Strategic Use of Debt and Capacity in Imperfectly Competitive Product Markets**

J. Chris Leach, *University of Colorado, Boulder and The Stockholm Institute for Financial Research*

Nathalie Moyen, *University of Colorado, Boulder*

Jing Yang, *California State University, Fullerton*

**Discussants:**

Itay Goldstein, *Duke University*

Matthew Rhodes-Kropf, *Columbia University*

Gordon Phillips, *University of Maryland*

**Friday, June 25, 2004, 10:00 am – 10:15 am**

Coffee Break - *Foyer*

**Friday, June 25, 2004, 10:15 am – 12:00 pm**

**Corporate Finance C– MacKenzie I**

Sanjay Bhagat, *University of Colorado, Boulder*

**Takeover Contests with Asymmetric Bidders**

Paul Povel, *University of Minnesota*

Rajdeep Singh, *University of Minnesota*

**A Theory of Pyramidal Ownership and Family Business Groups**

Heitor Almeida, *New York University*

Daniel Wolfenzon, *New York University*

**Takeover Announcements and Price Discovery**

Yuan Gao, *Cornell University*

Derek Oler, *Cornell University*

**Discussants:**

Karin Thorburn, *Dartmouth College*

Rachel Hayes, *University of Chicago*

Wayne Guay, *University of Pennsylvania*

**Investments – MacKenzie II**

Laura Starks, *University of Texas, Austin*

**Stock Returns are Predictable: A Firm Level Analysis**

Doron Avramov, *University of Maryland*

Tarun Chordia, *Emory University*

**Investing in Socially Responsible Mutual Funds**

Christopher C. Géczy, *University of Pennsylvania*

David Levin, *University of Pennsylvania*

Robert F. Stambaugh, *University of Pennsylvania*

**Testing and Valuing Dynamic Correlations for Asset Allocation**

Riccardo Colacito, *New York University*

Robert F. Engle, *New York University*

**Discussants:**

David Chapman, *Boston College*

John Griffin, *University of Texas, Austin*

Luca Benzoni, *University of Minnesota*

**Corporate Bonds – Cheakamus**

Peter Knez, *Barclays Global Investors*

**Valuing Callable Corporate Bonds in a Reduced Form Model: Using a Call Intensity Process**

Robert Jarrow, *Cornell University*

Haitao Li, *Cornell University*

Sheen Liu, *Youngstown State University*

Chunchi Wu, *Syracuse University*

**Individual Stock-Option Prices and Credit Spreads**

Martijn Cremers, *Yale University*

Joost Driessen, *University of Amsterdam*

Pascal Maenhout, *INSEAD*

David Weinbaum, *Cornell University*

**Taxes, Default Risk and Corporate Bond Yield Spreads:  
A Structural Approach**

Sheen Liu, *Youngstown State University*

Howard Qi, *Syracuse University*

Chunchi Wu, *Syracuse University*

**Discussants:**

Jingzhi “Jay” Huang, *Pennsylvania State University*

Michael Johannes, *Columbia University*

Christopher Mann, *Moody’s Investors Service*

**Analyst Forecasts & Recommendations – Malaspina**  
Bhaskaran Swaminathan, *Cornell University*

**Buy-side Analysts, Sell-side Analysts, and Fund  
Performance: Theory and Evidence**

Yingmei Cheng, *Florida State University*

Mark H. Liu, *Boston College*

Jun Qian, *Boston College*

**Analysts, Industries, and Price Momentum**

Leslie Boni, *University of New Mexico*

Kent L. Womack, *Dartmouth College*

**Analyst Reputation, Underwriting Pressure, and  
Forecast Accuracy**

Lily H. Fang, *INSEAD*

Ayako Yasuda, *University of Pennsylvania*

**Discussants:**

Xiaoyan Zhang, *Cornell University*

Tobias Moskowitz, *University of Chicago*

Soeren Hvidkjaer, *University of Maryland*

**IPOs – Waterfront Ballroom A**  
Jay Ritter, *University of Florida*

**Are IPO Allocations For Sale? Evidence from the  
Mutual Fund Industry**

Jonathan Reuter, *University of Oregon*

**What Makes Issuers Happy? Testing the Prospect Theory of IPO Underpricing**

Alexander P. Ljungqvist, *New York University*  
William J. Wilhelm Jr., *University of Virginia and University of Oxford*

**Rational IPO Waves**

Luboš Pástor, *University of Chicago, CEPR and NBER*  
Pietro Veronesi, *University of Chicago, CEPR and NBER*

**Discussants:**

Donghang Zhang, *University of South Carolina*  
Alon Brav, *Duke University*  
Jason Karceski, *University of Florida*

**Friday, June 25, 2004, 12:15 pm – 2:00 pm**

WFA 2004 Annual Meeting and Luncheon sponsored by  
LECG – *Waterfront Ballroom*  
Keynote Speaker: Michael C. Jensen, *Jesse Isidor Strauss Professor Emeritus, Harvard Business School; Managing Director, Monitor Group.*

**Friday, June 25, 2004, 2:45 pm – 4:30 pm**

**Corporate Control A – MacKenzie I**  
Neal Stoughton, *University of California, Irvine*

**International Corporate Governance and Global Equity Offers: Theory and Evidence from Foreign Stock Listings in the U.S**

Praveen Kumar, *University of Houston*  
Latha Ramchand, *University of Houston*

**Corporate Governance and Taxation**

Mihir A. Desai, *Harvard University and NBER*  
Alexander Dyck, *Harvard University*  
Luigi Zingales, *University of Chicago, NBER, and CEPR*

**Which Investors Fear Expropriation? Evidence from Investors' Stock Picking**

Mariassunta Giannetti, *Stockholm School of Economics and CEPR*  
Andrei Simonov, *Stockholm School of Economics*

**Discussants:**

Josef Zechner, *University of Vienna*

Robert Heinkel, *University of British Columbia*

Ashley Wang, *University of California, Irvine*

**Asset Pricing Anomalies: Explanations – MacKenzie II**

Craig Mackinlay, *University of Pennsylvania*

**What Drives the Value Premium?**

Ludovic Phalippou, *INSEAD*

**Bad Beta, Good Beta**

John Y. Campbell, *Harvard University and NBER*

Tuomo Vuolteenaho, *Harvard University and NBER*

**Economic Fundamentals, Risk, and Momentum Profits**

Laura X. Liu, *University of Rochester*

Jerold B. Warner, *University of Rochester*

Lu Zhang, *University of Rochester*

**Discussants:**

David K. Musto, *University of Pennsylvania*

Marie-Claude Beaulieu, *Université Laval*

Spencer Martin, *Arizona State University*

**Home Bias - Cheakamus**

Tobias Moskowitz, *University of Chicago*

**The Geography of Stock Market Participation: The Influence of Communities and Local Firms**

Jeffrey R. Brown, *University of Illinois, Urbana-Champaign and NBER*

Zoran Ivkovi , *University of Illinois, Urbana-Champaign*

Paul Smith, *Federal Reserve Board of Governors*

Scott Weisbenner, *University of Illinois, Urbana-Champaign and NBER*

**What Determines the Domestic Bias and Foreign Bias? Evidence from Mutual Fund Equity Allocations Worldwide**

Kalok Chan, *Hong Kong University of Science & Technology*

Vincentiu Covrig, *University of Michigan, Dearborn*

Lilian Ng, *University of Wisconsin, Milwaukee*

**Dissemination of Information: Urban versus Rural  
Stock Return Patterns**

Tim Loughran, *University of Notre Dame*

Paul Schultz, *University of Notre Dame*

**Discussants:**

Annette Vissing-Jorgensen, *Northwestern University*

Joshua D. Coval, *Harvard University*

Kewei Hou, *Ohio State University*

**Market Efficiency – Empirical - Malaspina**

Rex Thompson, *Southern Methodist University*

**The Information in Option Volume for Stock Prices**

Jun Pan, *MIT*

Allen Poteshman, *University of Illinois, Urbana-Champaign*

**The Performance of Initial Public Offerings and The  
Cross Section of Institutional Ownership**

Arik Ben Dor, *Northwestern University*

**Basket Securities, Price Formation, and Informational  
Efficiency**

Lei Yu, *New York University*

**Discussants:**

Christopher Jones, *University of Southern California*

Laura Field, *Pennsylvania State University*

Kumar Venkataraman, *Southern Methodist University*

**Futures – Waterfront Ballroom A**

Stephen Figlewski, *New York University*

**‘Maximal’ Affine Model of Convenience Yields Implied  
from Interest Rates and Commodity Futures**

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

Pierre Collin-Dufresne, *Carnegie Mellon University*

**Futures Prices in a Production Economy with  
Investment Constraints**

Leonid Kogan, *MIT*

Dmitry Livdan, *University of Houston*

Amir Yaron, *University of Pennsylvania*

**Information, Trading and Volatility: Evidence from Weather-Sensitive Markets**

Jeff Fleming, *Rice University*

Chris Kirby, *University of Texas, Dallas*

Barbara Ostdiek, *Rice University*

**Discussants:**

Gurdip Bakshi, *University of Maryland*

Francis Longstaff, *University of California, Los Angeles*

Duane Seppi, *Carnegie Mellon University*

**Friday, June 25, 2004, 5:00 pm – 6:00 pm**

SFS Annual Meeting – *Princess Louisa Suite*

**Friday, June 25, 2004, 6:00 pm – 8:00 pm**

Review of Financial Studies/Barclays Global Investors

Reception - *Poolside and Terrace Suite (Rain Location: Waterfront Ballroom C and Waterfront Ballroom Foyer)*

**Saturday, June 26, 2004, 8:15 am - 10:00 am**

**Venture Capital & Contracting – MacKenzie I**

Paul Gompers, *Harvard University and NBER*

**How Do Legal Differences and Learning Affect Financial Contracts?**

Steven N. Kaplan, *University of Chicago*

Frederic Martel, *UBS Global Asset Management*

Per Strömberg, *University of Chicago*

**A Model of Entrepreneurial Finance**

Andrew Winton, *University of Minnesota*

Vijay Yerramilli, *University of Minnesota*

**Financial Contracting with Optimistic Entrepreneurs: Theory and Evidence**

Augustin Landier, *University of Chicago and CEPR*

David Thesmar, *ENSAE-CREST*

**Discussants:**

Yael Hochberg, *Cornell University*

Thomas Chemmanur, *Boston College*

Annette Vissing-Jorgensen, *Northwestern University*

## **Asset Pricing – Econometrics – MacKenzie II**

Jay Shanken, *Emory University*

### **The Role of Arbitrage in the Empirical Evaluation of Asset Pricing Models**

Zhenyu Wang, *Columbia University*

Xiaoyan Zhang, *Cornell University*

### **It Takes a Model to Beat a Model: Volatility Bounds**

Ludan Liu, *Boston College*

### **Hansen-Jagannathan Distance: Geometry and Exact Distribution**

Raymond Kan, *University of Toronto*

Guofu Zhou, *Washington University, St. Louis*

### **Discussants:**

Jonathan Lewellen, *MIT*

Robert Dittmar, *University of Michigan*

Wayne Ferson, *Boston College*

## **Specialist Behavior – Cheakamus**

Mark Ready, *University of Wisconsin, Madison*

### **Specialist Profits and the Minimum Price Increment**

Jay F. Coughenour, *University of Delaware*

Lawrence E. Harris, *University of Southern California and SEC*

### **Trading Costs of Public Investors with Obligatory and Voluntary Market-Making: Evidence from Market Reforms**

Narayan Y. Naik, *London Business School*

Pradeep K. Yadav, *Lancaster University*

### **Do NYSE Individual Specialists Cross-Subsidize Illiquid Stocks?**

Roger D. Huang, *University of Notre Dame*

Jerry W. Liu, *Purdue University*

### **Discussants:**

Elizabeth Odders-White, *University of Wisconsin, Madison*

Duane Seppi, *Carnegie Mellon University*

Jeffrey Harris, *University of Delaware*

**Portfolio Choice – Malaspina**  
Michael Brandt, *Duke University*

**Lifetime Consumption-Portfolio Choice under Trading Constraints, Recursive Preferences, and Nontradeable Income**

Mark Schroder, *Michigan State University*  
Costis Skiadas, *Northwestern University*

**Good Times or Bad Times? Investors' Uncertainty and Stock Returns**

Arzu Ozoguz, *INSEAD*

**Life Cycle Consumption and Portfolio Choice with Additive Habit Formation Preferences and Uninsurable Labor Income Risk**

Valery Polkovnichenko, *University of Minnesota and Federal Reserve Bank of Minneapolis*

**Discussants:**

Tan Wang, *University of British Columbia*  
Anthony W. Lynch, *New York University*  
Joao Cocco, *London Business School*

**Banking B – Waterfront Ballroom A**

George Pennacchi, *University of Illinois, Urbana-Champaign*

**Money in a Theory of Banking**

Douglas W. Diamond, *University of Chicago and NBER*  
Raghuram G. Rajan, *University of Chicago, IMF and NBER*

**Initiative, Incentives and Soft Information. How Does Delegation Impact the Role of Bank Relationship Managers?**

Jose Maria Liberti, *London Business School*

**The Role of Incentives in the Prevention of Financial Crises in Emerging Economies**

Amar Gande, *Vanderbilt University*  
Kose John, *New York University*  
Lemma W. Senbet, *University of Maryland*

**Discussants:**

John Boyd, *University of Minnesota*  
Avri Ravid, *Rutgers University and Yale University*  
Andres Almazan, *University of Texas, Austin*

**Saturday, June 26, 2004, 10:00 am – 10:15 am**

Coffee Break - *Foyer*

**Saturday, June 26, 2004, 10:15 am – 12:00 pm**

**Corporate Control B – MacKenzie I**

Ronald Giammarino, *University of British Columbia*

**Tunnel-Proofing the Executive Suite: Transparency,  
Temptation and the Design of Executive Compensation**

Thomas Noe, *Tulane University*

**Ownership: Evolution and Regulation**

Julian Franks, *London Business School*

Colin Mayer, *University of Oxford*

Stefano Rossi, *London Business School*

**Investor Protection and the Coasian View**

Nittai Bergman, *MIT*

Daniel Nicolaievsky, *Harvard University*

**Discussants:**

Naveen Khanna, *Michigan State University*

Ralph A. Walkling, *Ohio State University*

Andres Almazan, *University of Texas, Austin*

**Capital Structure – MacKenzie II**

Lemma W. Senbet, *University of Maryland*

**Do Tests of Capital Structure Theory Mean What They  
Say?**

Ilya A. Strebulaev, *London Business School*

**Do Firms Rebalance Their Capital Structures?**

Mark T. Leary, *Duke University*

Michael R. Roberts, *Duke University*

**Debt Dynamics**

Christopher A. Hennessy, *University of California, Berkley*

Toni M. Whited, *University of Wisconsin, Madison*

**Discussants:**

Alexander Triantis, *University of Maryland*

Peter Mackay, *Southern Methodist University*

Kose John, *New York University*

**International Diversification – Cheakamus**

Vihang Errunza, *McGill University*

**International Diversification with Large- and Small-Cap Stocks**

Cheol S. Eun, *Georgia Institute of Technology*

Wei Huang, *University of Hawaii, Manoa*

Shu-Ching Lai, *Singapore Management University*

**The Monetary Origins of Asymmetric Information in International Equity Markets**

Gregory H. Bauer, *University of Rochester*

Clara Vega, *University of Rochester*

**Why Are International Equity Market Correlations Low?**

A. Cevdet Aydemir, *Carnegie Mellon University*

**Discussants:**

Reena Aggarwal, *Georgetown University*

Michael Melvin, *Arizona State University*

Pierre Ruiz, *McGill University*

**Market Efficiency – Theory - Malaspina**

Ming Huang, *Stanford University*

**Noise and Aggregation of Information in Competitive Rational Expectations Models**

Diego Garcia, *Dartmouth College*

Branko Urošević, *University Pompeu Fabra*

**Asset Float and Speculative Bubbles**

Harrison Hong, *Princeton University*

José A. Scheinkman, *Princeton University*

Wei Xiong, *Princeton University*

## **The Price Impact and Survival of Irrational Traders**

Leonid Kogan, *MIT*

Stephen Ross, *MIT*

Jiang Wang, *MIT*

Mark Westerfeld, *MIT*

### **Discussants:**

Dimitri Vayanos, *MIT*

Itay Goldstein, *Duke University*

Nicolae Gârleanu, *University of Pennsylvania*

## **Behavioral Finance – Waterfront Ballroom A**

Terrence Odean, *University of California, Berkley*

### **Attention, Demographics, and the Stock Market**

Stefano DellaVigna, *University of California, Berkeley*

Joshua M. Pollet, *Harvard University*

### **Are Small Investors Naive?**

Ulrike Malmendier, *Stanford University*

Devin Shanthikumar, *Stanford University*

### **Fear of The Unknown: The Effects of Familiarity on Financial Decisions**

H. Henry Cao, *University of North Carolina, Chapel Hill*

David Hirshleifer, *Ohio State University*

Harold H. Zhang, *University of North Carolina, Chapel Hill*

### **Discussants:**

Mark Seasholes, *University of California, Berkeley*

Bing Han, *Ohio State University*

Simon Gervais, *Duke University*

Call for Papers and Participants  
2005 ANNUAL MEETINGS OF  
THE WESTERN FINANCE ASSOCIATION  
June 18, 2005 to June 21, 2005  
Portland, Oregon

Members and friends of the Western Finance Association are invited to submit papers to be considered for presentation at the 2005 Annual Meetings. Papers on any topic related to financial economics will be considered.

**Submission of papers** The WFA web site, <http://www.westernfinance.org>, will contain full instructions for submission, including required on-line registration, creation of the required cover page, the submission fee, and other vital instructions, starting on September 14, 2004. The submission fee will be waived for qualifying Ph.D. students. The deadline for submissions will be November 14, 2004. Papers will be reviewed anonymously by two members of the Program Committee, and authors will be notified of the Program Committee's decisions in February 2005.

**Best Paper Awards** (subject to change)

*Treftz Award* of \$2,000 for the best student paper. Ph.D. students who have neither received their degree nor assumed a regular faculty position by the submission deadline should indicate eligibility for this award with their submissions.

*Society of Quantitative Analysts Award* of \$2,000 for the student paper of most relevance to quantitative practitioners.

*Caesarea Center Award* of \$2,500 for the best paper on risk management.

*Nasdaq Award* of \$2,500 for the best paper on capital formation.

*New York Stock Exchange Award* of \$5,000 for the best paper on equity trading.

*GSAM Quant Award* of \$5,000 for the best paper on investments.

*WFA Corporate Finance Award* of \$5,000 for the best corporate finance paper.

**Program Chair** Professor Mark Grinblatt, *University of California, Los Angeles*.

## Index

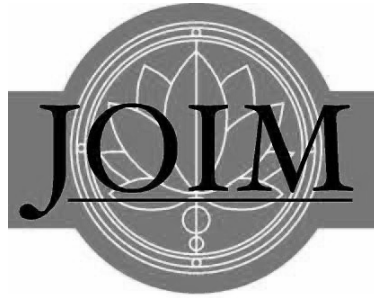
- Aggarwal, Reena, 37  
Agrawal, Anup, 19  
Allayannis, Yiorgos, 22  
Almazan, Andres, 35, 36  
Almeida, Heitor, 27  
Ang Andrew, 23  
Asparouhova, Elena, 26  
Avramov, Doron, 28  
Aydemir, A. Cevdet, 37  
Bae, Kee-Hong, 19  
Bailey, Warren B., 19  
Bakshi, Gurdip, 33  
Banerjee, Suman, 19  
Bansal, Ravi, 17  
Barclay, Michael J., 26  
Bauer, Gregory H., 37  
Beaulieu, Marie-Claude, 31  
Bekaert, Geert, 23  
Benzoni, Luca, 20, 28  
Bergman, Nittai, 36  
Berk, Jonathan B., 21  
Bessembinder, Hank, 18  
Bhagat, Sanjay, 27  
Bhamra, Harjoat, 18  
Boni, Leslie, 29  
Bosschaerts, Peter, 26  
Boudoukh, Jacob, 23  
Boyd, John, 35  
Brandt, Michael, 35  
Branger, Nicole, 25  
Brav, Alon, 30  
Brennan, Michael J., 20  
Brown, Jeffrey R., 31  
Butler, Alexander W., 23  
Campbell, John Y., 31  
Campello, Murillo, 24  
Cao, H. Henry, 20, 38  
Casassus, Jaime, 32  
Chacko, George, 17  
Chan, Louis, 21  
Chan, Kalok, 31  
Chang, Chun, 27  
Chapman, David, 28  
Charoenrook, Anchada, 19  
Chatterjee, Sris, 16  
Chemla, Gilles, 16  
Chemmanur, Thomas, 33  
Cheng, Yingmei, 29  
Cheridito, Patrick, 17  
Chordia, Tarun, 28  
Christoffersen, Peter, 25  
Cocco, Joao, 35  
Colacito, Riccardo, 28  
Collin-Dufresne, Pierre, 32  
Conrad Jennifer, 17  
Cooper Michael, 22  
Coughenour, Jay F., 34  
Coval, Joshua D., 32  
Covrig, Vincentiu, 31  
Cremers, Martijn, 28  
Dai, Qiang, 17  
Dammon, Robert M., 21  
Daniel, Kent D., 22  
Das, Sanjiv, 25  
Davis, Steve, 20  
DellaVigna, Stefano, 38  
DeMarzo Peter M., 24  
DeMiguel Angel-Victor, 20  
Desai, Mihir A., 30  
Diamond, Douglas W., 35  
Dittmar, Robert, 34  
Dor, Arik Ben, 32  
Driessen, Joost, 28  
Duarte, Jefferson, 25  
Duffee, Gregory, 17  
Dyck, Alexander, 30  
Eckbo, B. Espen, 19  
Ellul, Andrew, 17  
Engle, Robert F., 28  
Errunza, Vihang, 37  
Eun, Cheol S., 37  
Fang, Lily H., 29  
Faulkender, Michael, 24  
Ferson, Wayne, 23, 34  
Field, Laura, 32  
Figlewski, Stephen, 32  
Filipovi , Damir, 17  
Fishman, Michael J., 16, 24  
Fleming, Jeff, 33

Franks, Julian, 36  
 Gagnon, Louis, 19  
 Gallmeyer, Michael, 23  
 Gan, Jie, 23  
 Gande, Amar, 35  
 Gao, Yuan, 27  
 Garcia, Diego, 37  
 Garlappi, Lorenzo, 21  
 Gârleanu, Nicolae, 25, 38  
 Gatchev, Vladimir A., 19  
 Géczy, Christopher C., 22, 28  
 Gerard, Bruno, 21  
 Gervais, Simon, 38  
 Ghysels, Eric, 22  
 Giammarino, Ronald, 36  
 Giannetti, Mariassunta, 30  
 Goettler, Ronald L., 17  
 Goldstein, Michael, 23  
 Goldstein, Robert S., 24  
 Goldstein, Itay, 27, 38  
 Gompers, Paul, 33  
 Gopalan, Mohanaraman, 18  
 Graham, John, 26  
 Green, Clifton, 19  
 Green, Richard C., 17, 19  
 Greenwood, Robin, 22  
 Griffin, John, 20, 28  
 Grullon, Gustavo, 23  
 Guay, Wayne, 28  
 Habib, Michael A., 16  
 Hackbarth, Dirk, 26  
 Hamao, Yasushi, 24  
 Han, Bing, 38  
 Harris, Jeffrey, 34  
 Harris, Lawrence E., 34  
 Harvey, Campbell R., 20  
 Hasbrouck, Joel, 26  
 Hatheway, Frank, 26  
 Hayes, Rachel, 28  
 Heinkel, Robert, 31  
 Hendershott, Terrence, 26  
 Hennessy, Christopher A., 36  
 Heston, Steve, 25  
 Hirshleifer, David, 38  
 Hochberg, Yael, 33  
 Holden, Craig W., 17  
 Hollifield, Burton, 17  
 Hong, Harrison, 37  
 Hopenhayn, Hugo, 25  
 Hou, Kewei, 32  
 Hsu, Jason C., 18  
 Huang, Jennifer, 21  
 Huang, Ming, 23, 37  
 Huang, Jingzhi, 29  
 Huang, Roger D., 34  
 Huang, Wei, 37  
 Hvidkjaer, Soeren, 29  
 Ikenberry, David, 23  
 Ivkovi, Zoran, 31  
 Jacobs, Kris, 25  
 Jain, Pankaj, 17  
 Jarrow, Robert, 25, 28  
 Jegadeesh, Narasimhan, 18  
 Jennings, Robert, 17  
 Jenter, Dirk, 22  
 Johannes, Michael, 29  
 John, Kose, 35, 37  
 Jones, Charles M., 26  
 Jones, Christopher, 32  
 Kan, Raymond, 34  
 Kaplan, Steven N., 33  
 Karceski, Jason, 30  
 Karolyi, G. Andrew, 19  
 Kayhan, Ayla, 19  
 Khanna, Naveen, 36  
 Kimmel, Robert L., 17  
 Kirby, Chris, 33  
 Knez, Peter, 28  
 Kogan, Leonid, 32, 38  
 Koo, Hyeng Keun, 21  
 Korajczyk, Robert A., 22  
 Kubler, Felix, 20  
 Kumar, Praveen, 30  
 Kyle, Albert S., 23  
 Lai, Shu-Ching, 37  
 Lakonishok, Josef, 21  
 Lambrecht, Bart M., 27  
 Landier, Augustin, 33  
 Langberg Nisan, 25  
 Leach, J. Chris, 27

Leary, Mark T., 36  
 Leitner, Yaron, 16  
 Lel, Ugur, 22  
 Lemmon, Michael L., 19  
 Levin, David, 28,  
 Lewellen, Jonathan, 22, 34  
 Li, Haitao, 25, 28  
 Li, Qing, 26  
 Liberti, Jose Maria, 35  
 Lipson Marc, 18  
 Liu, Jerry W., 34  
 Liu, Jun, 18  
 Liu, Laura X., 31  
 Liu, Ludan, 34  
 Liu, Mark H., 18, 29  
 Liu, Sheen, 28, 29  
 Livdan, Dmitry, 32  
 Ljungqvist Alexander P., 16, 30  
 Longstaff Francis, 25, 33  
 Lookman Aziz A., 21  
 Loughran, Tim, 32  
 Lynch, Anthony W., 35  
 Mackay, Peter, 37  
 Mackinlay, Craig, 31  
 Madhavan Ananth, 25  
 Maenhout, Pascal, 28  
 Malmendier, Ulrike, 38  
 Mann, Christopher, 29  
 Mao Connie X., 19  
 Martel Frederic, 33  
 Martin, Spencer, 31  
 Massa Massimo, 21  
 Mayer, Colin, 36  
 McDonald Robert L., 19  
 Mehra Rajnish, 21  
 Melvin, Michael, 37  
 Michaely Roni, 23  
 Minton Bernadette, 22  
 Moskowitz, Tobias, 29, 31  
 Moyan, Nathalie, 27  
 Musto, David K., 31  
 Myers, Stewart C., 27  
 Nagel Stefan, 22  
 Naik, Narayan Y., 34  
 Ng, Lilian, 31  
 Nicolaievsky, Daniel, 36  
 Noe, Thomas, 36  
 Odders-White, Elizabeth, 34  
 Odean, Terrence, 38  
 Oler, Derek, 27  
 Ostdiek, Barbara, 33  
 Ozoguz Arzu, 35  
 Pakoš, Michal, 26  
 Pan Jun, 25, 32  
 Parlour Christine A., 17  
 Pástor, Luboš, 30  
 Pearson Neil, 21  
 Pennacchi, George, 35  
 Petersen Mitchell A., 20  
 Petkova Ralitsa, 22  
 Phalippou, Ludovic, 31  
 Phillips, Gordon, 27  
 Polk Christopher K., 22  
 Polkovnichenko, Valery, 35  
 Pollet, Joshua M., 38  
 Potesman, Allen, 32  
 Povel, Paul, 27  
 Prabhala Nagpurnanand R., 20  
 Pritsker Matthew, 23  
 Puri Manju, 20  
 Qi, Howard, 29  
 Qian, Jun, 29  
 Rajan Uday, 17  
 Rajan, Raghuram G., 35  
 Ramchand, Latha, 30  
 Rauh Joshua , 24  
 Ravid, Avri, 35  
 Ready, Mark, 34  
 Reuter, Jonathan, 29  
 Rhodes-Kropf, Matthew, 27  
 Rice Edward, 23  
 Richardson Matthew, 23  
 Ritter, Jay, 29  
 Roberts Michael R., 23, 36  
 Ross, Stephen, 38  
 Rossi, Stefano, 36  
 Routledge, Bryan R., 18, 26  
 Ruiz, Pierre, 37  
 Sadka Ronnie, 23  
 Santa-Clara Pedro, 22

Sarkissian Sergei, 20  
 Scheinkman, José A., 37  
 Schenone Carola, 20  
 Scherbina Anna, 18  
 SchlagChristian, 25  
 Schrand Catherine, 22  
 Schroder, Mark, 35  
 Schultz, Paul, 32  
 Schürhoff Norman, 17  
 Schwartz Eduardo S., 18  
 Seasholes, Mark, 38  
 Senbet, Lemma W., 36  
 Seppi, Duane, 33, 34  
 Shanken, Jay, 34  
 Shanthikumar, Devin, 38  
 Simin Timothy, 23  
 Simonov, Andrei, 30  
 Singh, Rajdeep, 27  
 Singleton Kenneth J., 17  
 Skiadas, Costis, 35  
 Smith, Paul, 31  
 Sofanos George, 26  
 Spatt Chester, 20  
 Spindt Paul A., 19  
 Stambaugh, Robert F., 28  
 Stanton Richard, 21  
 Starks, Laura, 28  
 Stomper, Alex, 20  
 Stoughton Neal, 25, 30  
 Strebulaev Ilya A., 36  
 Strömberg Per, 33  
 Strong Norman, 20  
 Swaminathan, Bhaskaran, 29  
 Swan Peter L., 25  
 Tay Anthony, 26  
 Thakor Anjan, 20  
 Thesmar, David, 33  
 Thompson, Rex, 32  
 Thorburn, Karin, 28  
 Ting Christopher, 26  
 Titman Sheridan, 19  
 Triantis Alexander, 18, 37  
 Tse Yiu Kuen, 26  
 Tufano Peter, 21  
 Uppal Raman S., 18, 20  
 Uroševi , Branko, 37  
 Valkanov Rossen, 22  
 Vassalou Maria, 26  
 Vayanos Dimitri, 22, 38  
 Vega, Clara, 37  
 Venkataraman, Kumar, 32  
 Veronesi, Pietro, 30  
 Vissing-Jorgensen, Annette, 32, 33  
 Vuolteenaho, Tuomo, 31  
 Wachter Jessica A., 17  
 Wahal Sunil, 18  
 Walking, Ralph A., 36  
 Wang, Ashley, 31  
 Wang, Jiang, 38  
 Wang Rong, 24  
 Wang Tan, 18, 35  
 Wang Zhenyu, 22, 34  
 Warachka Mitchell C., 26  
 Warner, Jerold B., 31  
 Wei, Min, 26  
 Weinbaum, David, 28  
 Weisbenner, Scott, 31  
 Wermers Russ, 21  
 Werner Ingrid M., 19  
 Westerfeld, Mark, 38  
 Westerholm Joakim, 25  
 Weston James P., 23  
 Whited, Toni M., 36  
 Whitelaw Robert, 18  
 Wilhelm Jr., William J., 30  
 Willen Paul, 20  
 Williamson Rohan, 24  
 Winton Andrew, 16, 33  
 Wolfenzon, Daniel, 27  
 Womack, Kent L., 29  
 Wu, Chunchi, 28, 29  
 Wu Youchang, 25  
 Xing Yuhang, 26  
 Xiong, Wei, 37  
 Xu Danielle, 18  
 Xu Xinzhong, 20  
 Yadav, Pradeep K., 34  
 Yan An, 16  
 Yang, Jing, 27  
 Yang Wei, 17

Yao Tong, 18  
Yaron, Amir, 32  
Yasuda, Ayako, 29  
Yerramilli, Vijay, 33  
Yu, Lei, 32  
Yu, Xiaoyun, 27  
Zarutskie Rebecca, 20  
Zechner Josef, 24, 31  
Zender Jaime, 19  
Zhang, Donghang, 30  
Zhang, Harold H., 38  
Zhang, Lu, 31  
Zhang, Xiaoyan, 29, 34  
Zhao Feng, 25  
Zhou, Guofu, 34  
Zhou Hao, 17  
Zin Stanley E., 18  
Zingales, Luigi, 30  
Zwiebel Jeffrey, 25



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