

# **Washington Area Finance Association**

Conference Program

Ninth Semiannual Meeting, April 26, 2002

George Washington University

Washington, D.C.

Sponsored by Nasdaq

Download papers from: <http://home.gwu.edu/~savickas/WAFA/papers/papers.htm>

## Registration, coffee, pastries

9:30-10:00, Government Hall lobby

## **Morning Sessions**

### Session 1: Banking and Debt I

10:00-12:00, Government Hall B07

Chair: Reza Saidi, The Catholic University of America

### **Valuation of Bonds and Options on Bonds Facing Correlated Interest Rate and Credit Risk**

Theodore M. Barnhill

George Washington University

Mircea Petrescu

George Washington University

Discussant: Akhtar Siddique, Georgetown University

### **The Political Economy of Bank Entry Restrictions: Theory and Evidence from the U.S. in the 1920s**

Charles W. Calomiris

Columbia Business School, AEI, and NBER

Carlos D. Ramírez

George Mason University

Discussant: Maria Soledad Martinez Peria, Finance Research Group, World Bank

### **The Effects of Exchange Rate and Interest Rate Shocks on Bank Lending in Indonesia**

Iwan J Azis

Cornell University

Willem Thorbecke

George Mason University

Discussant: Reid Click, George Washington University

## Session 2: Emerging Markets

10:00-12:00, Government Hall 101

Chair: George Jabbour, George Washington University

### **Investing in the Capital Markets of Central Europe: A Two Factor Asset Allocation Approach**

Dr. Nicole Grandmont

President, Garimont, Inc.

Dr. Luc Soenen

California Polytechnic University

Discussant: P. C. Kumar, American University

### **Corporate Governance, Investor Protection, and Performance in Emerging Markets**

Leora F. Klapper

Development Research Group, The World Bank

Inessa Love

Development Research Group, The World Bank

Discussant: Rohan Williamson, Georgetown University

### **New Estimates of the Equity Risk Premium and Why Business Economists need them**

Douglas J. Lamdin

University of Maryland, Baltimore County

Discussant: Yikang Liu, George Washington University

## Session 3: MicroStructure

10:00-12:00, Government Hall 105

Chair: Tim McCormick, Nasdaq

### **Competing Models for Market Data Dissemination: A Comparison of Stock and Futures Markets**

Sharon Brown-Hruska

School of Management, George Mason University

Discussant: Jeff Harris, University of Delaware

### **Bid-Ask Spreads and Insider Trading: Recent Nasdaq Evidence on The Impact of Intangible Capital and Investment Opportunities**

Katherine I. Gleason

George Washington University

Discussant: Michel Robe, American University

### **Order Time, Multiple Shocks, and Short Selling in Security Price Adjustment**

Malay K. Dey

Morgan State University

Discussant: Amy K. Edwards, U. S. Securities and Exchange Commission

### **Stealth Trading, Trade Size, and Spread**

Malay K. Dey

Morgan State University

B. Radhakrishna

University of Minnesota and UBS Warburg

Discussant: Murat Aydogdu, U. S. Securities and Exchange Commission

## Luncheon

12:00-2:00, George Washington University Club

Speakers: Art Murton, Director of Insurance and Research, FDIC; William Seale, Principal and Director of Portfolio, ProFunds Advisors LLC;

## **Afternoon Sessions**

### Session 4: Banking and Debt II

2:00-4:00, Government Hall B07

Chair: Gerald A. Hanweck, George Mason University, FDIC

#### **The Oriental Bank Corporation: 1842-1892**

Adrian E. Tschoegl                      College of Business and Economics, University of Delaware

Discussant: Clifford Thies, Shenandoah University

#### **Debt Spreads Between GSEs and Other Corporations**

Frank E. Nothaft                      Freddie Mac  
James E. Pearce                      Welch Consulting  
Stevan Stevanovic                      Freddie Mac

Discussant: Gary Fissel, FDIC

#### **Forbearance Expectations and the Subordinated Debt Signal of Bank Insolvency**

Gerald A. Hanweck                      George Mason University, FDIC  
Lewis J. Spellman                      University of Texas at Austin

Discussant: Art Hogan, Office of Thrift Supervision

### Session 5: Asset Pricing, Risk, Derivatives

2:00-4:00, Government Hall 101

Chair: Malay K. Dey, Morgan State University

#### **The Game Theoretic Capital Asset Pricing Model**

Vladimir Vovk                      University of London  
Glenn Shafer                      Graduate School of Management, Rutgers University

Discussant: Malay K. Dey, Morgan State University

#### **Hedging Against Liquidity Risk and Short Sale Constraints**

Doron Avramov                      Smith School of Business, University of Maryland  
John C. Chao                      Smith School of Business, University of Maryland  
Tarun Chordia                      Goizueta Business School, Emory University

Discussant: Pamela A. Labadie, George Washington University

### **The Riskiness of REITs Surrounding the October 1997 Stock Market Decline**

John L. Glascock                      George Washington University  
David Michayluk                      University of Rhode Island  
Karyn Neuhauser                      George Washington University  
Discussant: Michael Fratantoni, Fannie May

### **Do Speculators Herd in Derivatives Markets? Oily Evidence.**

Robert Weiner                      George Washington University  
Discussant: Ira Wein, U. S. Securities and Exchange Commission

### **Session 6: Analysts, Learning, Corporate Finance**

2:00-4:00, Government Hall 105

Chair: Zhan Onayev, George Washington University

### **Learning Curves in Analyst Estimation: An Empirical Analysis using Returns**

Kristina L. Minnick                      Smith School of Business, University of Maryland  
April Thompson                      Smith School of Business, University of Maryland  
Discussant 1: Kristen Anderson, Georgetown University  
Discussant 2: Jongdoo Lee, George Washington University

### **Capacity Constrained Learning and Asset Price Comovement**

Lin Peng                      Duke University  
Wei Xiong                      Princeton University  
Discussant: Robert Savickas, George Washington University

### **Equity Ownership Structure and Discretionary Investments**

Aloke Ghosh                      Baruch College, CUNY  
Doocheol Moon                      Baruch College, CUNY  
Kishore Tandon                      Baruch College, CUNY  
Discussant: Khaled Amira, The Catholic University of America

### **Interest Rates, Taxes, Bankruptcy, and Financing Decisions**

Ali Nejadmalayeri                      University of Nevada, Reno  
Discussant: Fred Lindahl, George Washington University