

**FINANCE DOWN UNDER 2018:  
Building on the Best from the Cellars of Finance**

**PROGRAM SUMMARY**

**Thursday, March 1, 2018 - State Library of Victoria**

5:00 pm – 7:30 pm

Registration and Drinks – Experimedia Room

Welcome Speech: John Handley, University of Melbourne – Experimedia Room

Keynote Speech: Ron Masulis, University of New South Wales – Experimedia Room

Wine Reception – Red Rotunda Room

**Friday, March 2, 2018 - Melbourne Park, Tennis HQ**

9:30 am – 10:00 am

Registration and Morning Coffee - Level 2

10:00 am – 11:00 am

Keynote Speech: Clemens Sialm, University of Texas at Austin – Level 2, Federer Room

11:00 am – 11:30 am

Morning Tea - Level 2, Federer Room

11:30 am – 12:45 pm

Parallel Sessions I - Level 2

12:45 pm – 2:30 pm

Lunch - Level 3

2:30 pm – 3:45 pm

Parallel Sessions II - Level 2

3:45 pm – 4:15 pm

Afternoon Tea – Level 2, Federer Room

4:15 pm – 5:30 pm

Parallel Sessions III - Level 2

**Saturday, March 3, 2018 – University of Melbourne, The Spot Building**

9:45 am – 10:15 am

Coffee and tea served – Books ‘n Bites Cafe (across the street from the Spot building)

10:30 am – 11:45 am

Plenary Session - Copland Theatre, Level B1

12:00 pm – 1:00 pm

Keynote Speech: Oliver Hart, Harvard University - Copland Theatre, Level B1

1:00 pm – 2:30 pm

Lunch – Dean’s Boardroom, Level 12

2:30 pm – 11:00 pm

Food and Wine Experience - Mornington Peninsula

Paper Awards and Announcements

## CONFERENCE SESSIONS AT A GLANCE

Tennis HQ	<i>Federer Room</i>	<i>Nadal Room</i>	<i>Williams Room</i>
Parallel Sessions I	Asset Pricing I	Corporate Finance I	Market Microstructure
March 2, 11:30 am – 12:45 pm	<p>Show Me the Money: The Monetary Policy Risk Premium</p> <p>What Drives Q and Investment Fluctuations?</p>	<p>Costly Corporate Governance: Evidence from Shareholder Approval in Mergers and Acquisitions</p> <p>Rating Under Asymmetric Information</p>	<p>Why do Stock Exchanges Compete on Speed?</p> <p>Currency Mispricing and Dealer Balance Sheets</p>
Parallel Sessions II	Asset Pricing II	Corporate Finance II	Hedge Funds
March 2, 2:30 pm – 3:45 pm	<p>Good Volatility, Bad Volatility, and the Cross-Section of Stock Returns</p> <p>Is There Froth in the Corporate Bond Market?</p>	<p>When do Firms Risk Shift? Evidence from Venture Capital</p> <p>Well Begun is Half Done: Initial R&amp;D Competence and Firm Growth</p>	<p>Hedge Fund Activists' Network and Information Flows</p> <p>Prime (Information) Brokerage</p>
Parallel Sessions III	Asset Pricing III	Corporate Finance III	Individual Borrowers and Traders
March 2, 4:15 pm – 5:30 pm	<p>Asset Pricing with Return Extrapolation</p> <p>The Collateralizability Premium</p>	<p>Downward Wage Rigidity, Corporate Investment, and Firm Value</p> <p>Social Stability and the Resource Allocation within Business Groups</p>	<p>The Limited Benefits of Mortgage Renegotiation</p> <p>The Impact of Non-Pecuniary Preferences on Household Financial Decisions</p>
Plenary Session	International Finance Copland Theatre, The Spot		
March 3, 10:30 am – 11:45 am	<p>Anomalies Abroad: Beyond Data Mining</p> <p>Integrated Markets: Economic or Financial Integration?</p>		

## PROGRAM DETAILS

FRIDAY, March 2, 2018, 11:30 am – 12:45 pm

### Asset Pricing I – Federer Room

Session Chair: Andrea Yinjia Lu, *University of Melbourne*

#### **Show Me the Money: The Monetary Policy Risk Premium**

**Ali K. Ozdagli**, *Federal Reserve Bank of Boston*

Mihail Velikov, *Federal Reserve Bank of Richmond*

#### **What Drives Q and Investment Fluctuations?**

**Ilan Cooper**, *BI Norwegian Business School*

Paulo F. Maio, *Hanken School of Economics*

Andreea Mitrache, *Toulouse Business School*

Discussants:

Michael Gallmeyer, *University of Virginia*

Konark Saxena, *University of New South Wales*

### Corporate Finance I – Nadal Room

Session Chair: Abe De Jong, *Erasmus University Rotterdam*

#### **Costly Corporate Governance: Evidence from Shareholder Approval in Mergers and Acquisitions**

**Fangjian Fu**, *Singapore Management University*

Wayne R. Guay, *University of Pennsylvania*

Wei Zhang, *Singapore Management University*

#### **Rating Under Asymmetric Information**

**Christian Hilpert**, *Zhongshan University*

Stefan Hirth, *University of Southern Denmark*

Alexander Szimayer, *University of Hamburg*

Discussants:

Umit Gurun, *University of Texas Dallas*.

Yuri Tserlukevich, *Arizona State University*

### Market Microstructure – Williams Room

Session Chair: James Brugler, *University of Melbourne*

#### **Why do Stock Exchanges Compete on Speed?**

**Xin Wang**, *University of Illinois at Urbana-Champaign*

#### **Currency Mispricing and Dealer Balance Sheets**

Gino Cenedese, *Bank of England*

**Pasquale Della Corte**, *Imperial College London*

Tianyu Wang, *Imperial College London*

Discussants:

Doug Foster, *University of Sydney*

Carole Comerton-Forde, *University of New South Wales*

**FRIDAY, March 2, 2018, 2:30 pm – 3:45 pm**

**Asset Pricing II – Federer Room**

Session Chair: Zhen Shi, *University of Melbourne*

**Good Volatility, Bad Volatility, and the Cross-Section of Stock Returns**

Tim Bollerslev, *Duke University*

**Sophia Zhengzi Li**, *Michigan State University*

Bingzhi Zhao, *Duke University*

**Is There Froth in the Corporate Bond Market?**

**Yoshio Nozawa**, *Federal Reserve Board of Governors*

Discussants:

Ravi Sastri, *University of Melbourne*

Thijs van der Heijden, *University of Melbourne*

**Corporate Finance II – Nadal Room**

Session Chair: Kate Volkova, *University of Melbourne*

**When do Firms Risk Shift? Evidence from Venture Capital**

**Matthew Denes**, *Carnegie Mellon University*

**Well Begun is Half Done: Initial R&D Competence and Firm Growth**

Kyungran Lee, *The University of Hong Kong*

**S. Katie Moon**, *University of Colorado at Boulder*

Seungjoon Oh, *Pekin University*

Discussants:

Vidhan K. Goyal, *Hong Kong University of Science and Technology*

Patrick Verwijmeren, *Erasmus University Rotterdam*

**Hedge Funds – Williams Room**

Session Chair: Gil Aharoni, *University of Melbourne*

**Hedge Fund Activists' Network and Information Flows**

**Pouyan Foroughi**, *University of New South Wales*

**Prime (Information) Brokerage**

**Nitish Kumar**, *University of Florida*

Kevin Mullally, *University of Alabama*

Sugata Ray, *University of Alabama*

Yuehua Tang, *University of Florida*

Discussants:

Luis Goncalves-Pinto, *City University of Hong Kong*

Stephen Brown, *Monash University*

**FRIDAY, March 2, 2018, 4:15 pm – 5:30 pm**

**Asset Pricing III – Federer Room**

Session Chair: Joachim Inkmann, *University of Melbourne*

**Asset Pricing with Return Extrapolation**

Lawrence J. Jin, *California Institute of Technology*

**Pengfei Sui**, *California Institute of Technology*

**The Collateralizability Premium**

Hengjie Ai, *University of Minnesota*

Jun Li, *Goethe University Frankfurt*

**Kai Li**, *Hong Kong University of Science & Technology*

Christian Schlag, *Goethe University Frankfurt*

Discussants:

Antonio Gargano, *University of Melbourne*

Zhanhui Chen, *Nanyang Technology University*

**Corporate Finance III – Nadal Room**

Session Chair: Chelsea Liu, *University of Adelaide*

**Downward Wage Rigidity, Corporate Investment, and Firm Value**

**DuckKi Cho**, *University of Sydney*

**Social Stability and the Resource Allocation within Business Groups**

**Haikun Zhu**, *Tilburg University*

Discussants:

Clemens Otto, *Singapore Management University*

Stefan Zeume, *University of Michigan*

**Individual Borrowers and Traders – Williams Room**

Session Chair: Joshua Shemesh, *Monash University*

**The Limited Benefits of Mortgage Renegotiation**

**Sanket Korgaonkar**, *Pennsylvania State University*

**The Impact of Non-Pecuniary Preferences on Household Financial Decisions**

**Barbara A. Bliss**, *University of San Diego*

Joseph Engelberg, *University of California, San Diego*

Mitch Warachka, *University of San Diego*

Discussants:

Andrew MacKinlay, *Virginia Tech*

Jianfeng Shen, *University of New South Wales*

**SATURDAY, March 3, 2018, 10:30 am – 11:45 am**

**International Finance – Copland Theatre, The Spot**

Session Chair: Patrick Kelly, *University of Melbourne*

**Anomalies Abroad: Beyond Data Mining**

**Xiaomeng Lu**, *Shanghai Jiao Tong University*

Robert F. Stambaugh, *University of Pennsylvania, Wharton*

Yu Yuan, *Shanghai Jiao Tong University*

**Integrated Markets: Economic or Financial Integration?**

Amir Akbari, *University of Ontario*

**Lilian K. Ng**, *York University*

Bruno Solnik, *Hong Kong University of Science and Technology*

Discussants:

Patrick Kelly, *University of Melbourne*

Riccardo Colacito, *University of North Carolina*

## MAP & TRANSPORTATION

From the Melbourne airport to the hotels in the city, it takes 20-30 minutes, which might vary depending on the traffic. You can either take a taxi (fare: \$50-60) or SkyBus (fare: \$19.5 for one way / \$39 for return when purchased from self-serve kiosks or SkyBus ticket booths, check online for lower prices). On arrival at Southern Cross Station in the city, SkyBus provides a complimentary hotel transfer service, subject to availability (visit [www.skybus.com.au](http://www.skybus.com.au) for details).

For your transportation needs within the city area, we highly recommend the public transit system in Melbourne. There is a free tram zone in the Melbourne CBD – refer map below. For travel outside this zone you must purchase a "Myki" pass which allows travel on trams, busses, and trains. The Public transit is effective and as safe as can be reasonably expected.



- ⊙ **Welcome Reception, Thursday 1<sup>st</sup> of March 5:00 pm – 7:30 pm**  
 State Library of Victoria, Experimedia (5:00pm-6:30pm) and Red Rotunda (6:30pm-7:30pm)  
 328 Swanston Street, Melbourne; Tram 1, 3, 5, 6, 16, 64, 67, 72 to Melbourne Central Station/ State Library
- ⊙ **Conference Sessions, Friday 2<sup>nd</sup> of March 9:30 am – 5:30 pm** Melbourne Park, Tennis HQ  
 Batman Ave, Melbourne; Tram 70 to Rod Laver Arena
- ⊙ **Conference Session, Saturday 3<sup>rd</sup> of March 9:45 am – 2:30 pm**  
 The University of Melbourne  
 Copland Theatre (Basement), The Spot Building  
 198 Berkeley St, Parkville; Tram 19 or 59 to Haymarket