The 5th International Conference on Asia-Pacific Financial Markets

CAFM 2010

Date | December 4, 2010
Place | The Westin Chosun Hotel, Seoul, Korea
Host | Korean Securities Association

Sponsors

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KOREAN SECURITIES ASSOCIATION

December, 2010

INVITATION

We are pleased to invite you to the Fifth International Conference on Asia-Pacific Financial Markets (CAFM) held by the Korean Securities Association (KSA) on December 4, 2010.

Five years ago, this conference was started to celebrate the inclusion of the Asia-Pacific Journal of Financial Studies (AJFS) in the Social Science Citation Index (SSCI). This is particularly meaningful as it is the first time that an Asian academic finance journal has been listed in the SSCI. AJFS publishes English-written articles bimonthly. Wiley-Blackwell, one of the world's foremost academic and professional publishers, has been chosen as a publication partner for the journal, and started publishing the journal in 2010.

In this Fifth International CAFM, 44 papers will be presented in 12 sessions. These papers were selected among 129 papers submitted from 26 countries through blind peer-review process. The selected papers exhibit high standards of academic quality and cover a wide range of important contemporary issues. Among these papers, eight papers will be awarded as Best Papers.

This conference will provide a great opportunity for participants to exchange perspectives on the ongoing important issues in financial markets worldwide. Moreover, the conference will be an ideal venue for participants who wish to network with finance academics and industry experts from various countries.

We would like to express our heartfelt appreciation to all the sponsors who provided generous support for the conference. We are especially pleased that Dr. E. Han Kim, Fred M. Taylor Professor of Business Administration at the University of Michigan, has agreed to present the keynote speech. We also extend a special thank you to the members of this year's Review Committee who evaluated the academic paper submissions.

Please enjoy the Fifth International CAFM and make sure you take some time to enjoy Korean culture.

Sincerely,

J.B. Chay, President of KSA
Jinwoo Park, Program Chair

Saturday, December 4, 2010

08:30 ~ 09:30 Registration / Continental breakfast (2F)
09:30 ~ 11:30 Academic Session 1, 2, 3, 4 (2F)
11:30 ~ 13:45 Luncheon (2F, Orchid Room)
Welcome Address : Dr. J. B. Chay
President, Korean Securities Association
Keynote Speech : Dr. E. Han Kim
University of Michigan
14:00 ~ 15:30 Academic Session 5, 6, 7, 8 (2F)
15:45 ~ 17:45 Academic Session 9, 10, 11, 12 (2F)
18:00 ~ 21:00 Farewell Dinner (2F, Orchid Room)
Keynote Speech Ⅰ : Mr. Bongsoo Kim
Chairman and CEO, Korea Exchange
Keynote Speech Ⅱ : Mr. Kun Ho Hwang
Chairman and CEO, Korea Financial Investment Association
Best Paper Award : Dr. Jinwoo Park
Program Chair

Academic Session Program

TIME	Session Topics		ROOM(2F)
09:30~11:30	Session 1	Corporate Governance	Lilac
	Session 2	Derivatives	Tulip
	Session 3	Market Microstructure	Cosmos
	Session 4	Financial Intermediation	Violet
14:00~15:30	Session 5	IPO and M&A	Lilac
	Session 6	Funds	Tulip
	Session 7	Investments	Cosmos
	Session 8	International Finance	Violet
15:45~17:45	Session 9	Internal and External Financing	Lilac
	Session 10	Risk Management	Tulip
	Session 11	Asset Pricing	Cosmos
	Session 12	Credit Risk	Violet

December 4, 09:30 ~ 11:30

① Session 1 : Corporate Governance

Chair : Beom-Sik Jang (Soongsil Univ.)

Title	Author	Discussant
Block Premium and Shareholder Litigation	Jaiho Chung (Korea Univ.) Joon Ho Hwang (Korea Univ.) Joon-Seok Kim (Korea Capital Market Institute)	Woochan Kim (KDI School)
Do Controlling Shareholders' Expropriation Incentives Imply a Link between Corporate Governance and Firm Value? Theory and Evidence	Kee-Hong Bae (York Univ.) Jae-Seung Baek (Hankuk Univ. of Foreign Studies) Jun-Koo Kang (Nanyang Technological Univ.) Wei-Lin Liu (Nanyang Technological Univ.)	Betty Wu (Yonsei Univ.)
Corporate Governance Reforms and Firm-Level Allocation of International Capital Flows	Yao Lu (Tsinghua Univ.)	Seongpil Ahn (Sogang Univ.)
An Economic Theory of Constitutional Governance	Sankarshan Acharya (Univ. of Illinois, Chicago and Research Center for Finance and Governance (India))	Sooyoung Song (Chung-Ang Univ.)

② Session 2 : Derivatives

Chair : Robert Webb (KAIST)

Title	Author	Discussant
Which one is better? A study on the pricing kernel-based option valuation approaches	Jangkoo Kang (KAIST) Doojin Ryu (Hankuk Univ. of Foreign Studies)	Shiyong Yoo (Chung-Ang Univ.)
Model-Free Volatility Expectations and Risk Perceptions During Financial Crises	Kazuhiko Nishina (Meiji Gakuin Univ.) Nabil Maghrebi (Wakayama Univ.) Moo-Sung Kim (Pusan National Univ.)	Hyo Seob Lee (Korea Capital Market Institute)
Credit Derivatives and the Default Risk of Large Complex Financial Institutions	Giovanni Calice (Univ. of Southampton) Christos Ioannidis (Univ. of Bath) Julian Williams (Univ. of Aberdee)	Baeho Kim (Korea Univ.)
Effects of Rollover Strategies and Information Stability on the Performance Measures in Option Market	Youngsoo Choi (Hankuk Univ. of Foreign Studies) Soon Chan Ok (Hankuk Univ. of Foreign Studies)	Byung Jin Kang (Seoul Women's Univ.)

③ Session 3 : Market Microstructure

Chair : S. Ghon Rhee (Sungkyunkwan Univ. and Univ. of Hawai'i)

Title	Author	Discussant
Effects of Short-sale Constraints on Stock Prices and Trading Activity: Evidence from Hong Kong and Mainland China	Kalok Chan (Hong Kong Univ. of Science & Technology) Hung Wan Kot (Hong Kong Baptist Univ.) Zhishu Yang (Tsinghua Univ.)	Jay M. Chung (Soongsil Univ.)
Order Submission Dynamics in Order-driven Markets	Pei-Han Hsin (Cheng Shiu Univ.) Ming-Chang Wang (National Chung Cheng Univ.) Chin-Shun Wu (Univ. of the WEST) Alin Chen (National Sun Yat-Sen Univ.)	Jin Yoo (Hanyang Univ.)
Why Do Stocks Move Together?: Evidence from Commonality in Order Imbalances	Y. Peter Chung (Univ. of California, Riverside) Thomas Kim (Univ. of California, Riverside)	Yunsung Eom (Hansung Univ.)
Short Selling by Individual Investors: Vice or Virtue?	Chan-Shik Jung (Korea Univ.) Woojin Kim (Korea Univ.) Dong Wook Lee (Korea Univ.)	Hyoungjin Park (Seoul Women's Univ.)

④ Session 4 : Financial Intermediation

Chair : Sun-Wung Hwang (Chung-Ang Univ.)

Title	Author	Discussant
Bank Loans, Trade Credits, and Borrower Characteristics: Theory and Empirical Analysis	Byung-Uk Chong (Ewha Womans Univ.) Ha-Chin Yi (Texas State Univ. San Marcos)	Yan Li (Korea Univ.)
Monetary Liquidity, Market Liquidity, and Financial Intermediation	Ujjal Chatterjee (Univ. of Wisconsin, Milwaukee) Yong-Cheol Kim (Univ. of Wisconsin, Milwaukee)	Yun Woo Park (Chung-Ang Univ.)
Corporate Taxes and Securitization	Joong Ho Han (KDI School) Kwangwoo Park (KAIST) George Pennacchi (Univ. of Illinois, Urbana Champaign)	Hyoungsik Noh (Korea Institute of Finance)
The Impact of Organizational and Incentive Structures on Soft Information: Evidence from Bank Lending	Jun "QJ" Qian (Boston College) Philip E. Strahan (Boston College and NBER) Zhishu Yang (Tsinghua Univ.)	Joong Ho Han (KDI School)

December 4, 14:00 ~ 15:30

Session 5 : IPO and M&A

Chair : Hyosuk Kang (Hankuk Univ. of Foreign Studies)

Title	Author	Discussant
Bookbuilding, Price Revision and Initial Returns of IPOs	Sung Wook Joh (Seoul National Univ.) Yoo-Hwan Kim (Seoul National Univ.)	Wilson Wonho Choi (KAIST)
New Evidence on the Underperformance of Initial Public Offerings: Analyses of Earnings Announcements Returns	Henk Berkman (Univ. of Auckland) Yapei Li (Univ. of Auckland)	Jinho Byun (Ewha Womans Univ.)
Dividend Policy and the Method of Payment in Mergers and Acquisitions	Jin Q Jeon (Dongguk Univ.) James A. Ligon (Univ. of Alabama) Charn Soranakom (Mahidol Univ.)	Ha-Chin Yi (Texas State Univ., San Marcos)

Session 6 : Funds

Chair : Myung-Jig Kim (Hanyang Univ.)

Title	Author	Discussant
Dynamic Prediction of Financial Distress in Hedge Funds and Funds-of-Hedge Funds	Hee Soo Lee (Univ. of Sydney)	Giorgio Valente (Univ. of Essex)
The Performance of Currency Hedge Funds and Foreign Exchange Risk Premia	Federico Nucera (Bocconi Univ.) Giorgio Valente (Univ. of Essex)	Hee Soo Lee (Univ. of Sydney)
The Role of Organizational Structure: Between Hierarchy and Specialization	Massimo Massa (INSEAD) Lei Zhang (Nanyang Technological Univ.)	Junesuh Yi (Dongguk Univ.)

⑦ Session 7 : Investments

Chair : Chang-Soo Hur (Univ. of Seoul)

Title	Author	Discussant
Investor Perceptions of Earnings Processes and Post-Announcement Drifts	Bong-Soo Lee (Florida State Univ.) Oliver M. Rui (Chinese Univ. of Hong Kong)	Jang Woo Lee (Pusan National Univ.)
Local Equity Market Participation and Stock Liquidity	Lei Zhang (Nanyang Technological Univ.)	Ahmed Marhfor (Univ. of Québec, Montréal)
Stock price informativeness and analyst coverage	Ahmed Marhfor (Univ. of Québec, Montréal) Bouchra M'Zali (Univ. of Québec, Montréal) Guy Charest (Univ. of Québec, Montréal)	Woojin Kim (Korea Univ.)

⑧ Session 8 : International Finance

Chair : Dongcheol Kim (Korea Univ.)

Title	Author	Discussant
Asymmetric Information or Asymmetric Reputation? : A Theory on Why Foreigners Earn So Much in a Small Open Emerging Market	Jin Yoo (Hanyang Univ.)	Jeongsun Yun (Kookmin Univ.)
Financial Liberalization and Liquidity Commonality	Chunmei Lin (National Univ. of Singapore)	Olfa Maalaoui (KAIST)
Country, Industry and Idiosyncratic Components in Valuation Ratios	Jiyoun An (Korea Institute for International Economic Policy) Sanjeev Bhojraj (Cornell Univ.) David T. Ng (Wharton School and Cornell Univ.)	Hyung-Suk Choi (Hongik Univ.)

December 4, 15:45~ 17:45

Session 9 : Internal and External Financing

Chair : Yong-Cheol Kim (Univ. of Wisconsin, Milwaukee)

Title	Author	Discussant
When Does Foreign Portfolio Investment Increase Corporate Value in an Emerging Market Economy?	Woochan Kim (KDI School) Taeyoon Sung (Yonsei Univ.) Shang-Jin Wei (Columbia Univ.)	Jungwon Suh (Ewha Womans Univ.)
Managerial Incentives for Risk-Taking and Internal Capital Allocation	Ja Young Suh (Univ. of Technology, Sydney)	Yao Lu (Tsinghua Univ.)
Debt Covenants and the Value of Cash Holdings	Boochun Jung (Univ. of Hawaii at Manoa) Woo-Jong Lee (Hong Kong Polytechnic Univ.) Sunny Yang (Univ. of Texas at Austin)	Jong Il So (Korea Univ.)
The Sensitivities of Corporate Investments to Internal and External Sources of Funds	J. B. Chay (Sungkyungkwan Univ.) Soojung Kim (Kyung Hee Cyber Univ.) Jungwon Suh (Ewha Womans Univ.)	Jung-Wook Kim (Seoul National Univ.)

Session 10 : Risk Management

Chair : Harald Scheule (Univ. of Melbourne)

Title	Author	Discussant
Dynamic Hedging Turned Friendly Fire: Perils of Hedging Foreign Currency Risks	Jin-Wan Cho (Korea Univ.) Taeyong Kim (Morningstar Associates Korea) Woojin Kim (Korea Univ.)	Wenchao Liao (Shih Chien Univ.)
Risk Taking of ‘Too Big To Fail’ Banks: Evidence from Surviving Banks after a Financial Crisis	Hyungkwon Jeong (Bank of Korea) Sung Wook Joh (Seoul National Univ.)	Jung-Bum Wee (Kyung Hee Univ.)
Segment Disclosure Quality, Information Asymmetry, and Corporate Bond Yield Spreads	Tsung-Kang Chen (Fu Jen Catholic Univ.) Yi-Ping Liao (Ming Chuan Univ.)	Jungsoon Shin (Ewha Womans Univ.)
Speculators versus Hedgers: Evidence from Treasury Futures VAR Analysis of the Volume-Volatility Relations	Wenchao Liao (Shih Chien Univ.)	Yongjae Kwon (Kookmin Univ.)

⑪ Session 11 : Asset Pricing

Chair : Bong-Soo Lee (Florida State Univ.)

Title	Author	Discussant
On the Ex-Ante Cross-Sectional Relation Between Risk and Return Using Option-Implied Information	Ren-Raw Chen (Fordham Univ.) Dongcheol Kim (Korea Univ.) Durga Panda (Rutgers Univ.)	Changjun Lee (Kwangwoon Univ.)
Time-Varying Risk Premia for Size Effects on Equity REITs	G.D. Chang (National Taiwan Univ. of Science and Technology) Y.T. Chang (National Taiwan Univ. of Science and Technology)	Dong Wook Lee (Korea Univ.)
When Does Idiosyncratic Risk Really Matter?	Tony Ruan (Xiamen Univ.) Qian Sun (Fudan Univ.) Yexiao Xu (Univ. of Texas, Dallas)	Daehwan Kim (Konkuk Univ.)
On the Relation between the Chen-Zhang Factors and the Macroeconomy	Byoung-Kyu Min (Ohio State Univ.) Jangkoo Kang (KAIST) Changjun Lee (Kwangwoon Univ.)	Jaehoon Hahn (Yonsei Univ.)

⑫ Session 12 : Credit Risk

Chair : In Joon Kim (Yonsei Univ.)

Title	Author	Discussant
Credit rating inflation or deflation? Tests of two competing views on credit rating standard changes	Kee-Hong Bae (York Univ.) Jun-Koo Kang (Nanyang Technological Univ.) Jin Wang (Queen's Univ.)	Kuan-Hui Lee (Korea Univ.)
Securitization rating performance and agency incentives	Daniel Rösch (Leibniz Univ. of Hannover) Harald Scheule (Univ. of Melbourne)	Don H. Kim (Yonsei Univ.)
Sovereign debt ratings changes and stock liquidity around the world	Kuan-Hui Lee (Korea Univ.) Horacio Sapriza (Rutgers Business School and FRB) Yangru Wu (Rutgers Business School)	Junghoon Seon (Konkuk Univ.)
Effects of Macroeconomic News Announcements on the Risk-Neutral Distribution: Evidence From KOSPI200 Intraday Options Data	Sol Kim (Hankuk Univ. of Foreign Studies) Geul Lee (Hankuk Univ. of Foreign Studies)	Doojin Ryu (Hankuk Univ. of Foreign Studies)

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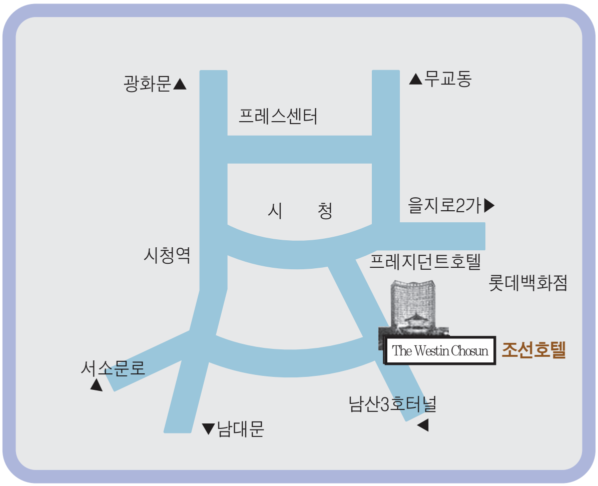

[지 하 철] 2호선 을지로입구역 7번 출구
1호선/2호선 시청역 6번 출구

사단법인 한국증권학회
KOREAN SECURITIES ASSOCIATION

45-2 Youido-dong, Yeongdeungpo-gu, Seoul, 150-974, Korea
Tel : 82-2-783-2615 Fax : 82-2-783-6539
http://www.apjfs.org http://www.iksa.or.kr