

Center for Financial Research

Fall 2004 Research Conference

FDIC/*Journal of Financial Services Research*: Risk Transfer and Governance in the Financial System Conference

Friday, September 17, 2004, *morning sessions*

8:00 – 8:30 *Registration*

8:30 – 8:45 Welcoming Remarks

8:45 – 10:30 **Session I: Governance and Managerial Incentives**

Session Chair: Allan Eberhart, Georgetown University

[The Governance of Banks: How Do Bank Capital and Monitoring Impact Post-Acquisition and Performance? - PDF](#) 343k ([PDF Help](#))

Christa Bouwman, University of Michigan

[Managerial Incentives and Risk-Taking - PDF](#) 285k ([PDF Help](#))

Jeffery Coles, Arizona State University, and
Naveen Daniel and **Lalitha Naveen**, Georgia State University
University

[Whose Private Benefits of Control-Owners or Managers? - PDF](#)
1,289k ([PDF Help](#))

Joon Ho Hwang, Indiana University

Discussant: Robert Marquez, University of Maryland

10:30 –
10:45 --- Coffee Break ---

10:45 –
12:30 **Session II: Managerial Actions**

Session Chair: Mark Flannery, University of Florida

[The Fall of ESO Repricing: Governance Reform or Reform Gone Awry? - PDF](#) 180k ([PDF Help](#))

N.K. Chidambaran, Rutgers University, and
Nagpuranand Prabhala, University of Maryland

[Flows, Performance, and Managerial Incentives in Hedge Funds - PDF](#) 305k ([PDF Help](#))

Vikas Agarwal and **Naveen Daniel**, Georgia State University, and
Narayan Naik, London Business School

[Incentive Effects of Illiquid Stock and Option Holdings of Target and Acquirer CEOs - PDF](#) 2353k ([PDF Help](#))

Jie Cai and **Anand Vijh**, University of Iowa

Discussant: Ben Esty, Harvard University

12:30 – 2:00 Luncheon Address: **Richard Syron**, Chairman, Freddie Mac

Friday, September 17, 2004, afternoon sessions

2:00 – 3:00 **Session III: Invited Paper**

Estimating the Value of Good Financial Policies
Ken Froot, Harvard University

3:00 – 3:15 --- Break ---

4:15 – 5:00 **Session IV: Hedging**

Session Chair: Haluk Unal, University of Maryland

[Corporate Governance and the Hedging Premium Around the World - PDF 340k \(PDF Help\)](#)

George Allayannis, University of Virginia, and
Ugur Lele and **Darius Miller**, Indiana University

[Does Hedging Really Increase Firm Value? Evidence from Oil and Gas-Producing Firms - PDF 329k \(PDF Help\)](#)

Aziz Lookman, Carnegie Mellon University

[Do Banks Hedge in Response to the Financial Distress Costs? - PDF 220k \(PDF Help\)](#)

Amiyatosh Purnanandam, University of Michigan

Discussant: Cathy Schrand, University of Pennsylvania

5:30 – 7:00 --- Reception ---

Saturday, September 18, 2004, morning sessions

8:00 – 8:30 -- Coffee and breakfast --

8:30 – 10:15

Session V: Issues in Banking Supervision

Session Chair: Fred Carns, FDIC

[Did FDICIA Enhance Market Discipline? A Look at Evidence from the Jumbo CD Market - PDF 320k \(PDF Help\)](#)

John Hall, University of Arkansas, and
Thomas King, **Andrew Meyer**, and **Mark Vaughan**, Federal Reserve Bank of St. Louis

[Use of Subordinated Debt in the Supervisory & Monitoring Process and To Enhance Market Discipline - PDF 218k \(PDF Help\)](#)

Douglas Evanoff, Federal Reserve Bank of Chicago, and **Julapa Jagtiani**, Federal Reserve Bank of Kansas City

[How Depositors Discipline Banks: A Micro-level Case Study of Hamilton Bank - PDF 315k \(PDF Help\)](#)

Andrew Davenport and **Kathleen McDill**, FDIC

Discussant: Joel Houston, University of Florida

10:15 – 10:30 --- Break ---

10:30 – 12:15

Session VI: Issues in Credit Risk

Session Chair: Paul Kupiec, FDIC

[Understanding the Risk in Synthetic CDOs- PDF](#) 164k ([PDF Help](#))

Michael Gibson, Federal Reserve Board

[Common Failings: How Corporate Defaults are Correlated - PDF](#)

355k ([PDF Help](#))

Sanjiv Das, Santa Clara University, **Darrell**

Duffie, Stanford University, and **Nikunj**

Kapadia, University of Massachusetts

[An empirical comparison of credit spreads between the bond](#)

[market and the credit-default-swap \(CDS\) market - PDF](#) 469k

([PDF Help](#))

Haibin Zhu, Bank for International Settlements

Discussant: Louis Scott, Morgan Stanley

12:15 – 1:15 --- Lunch ---

Saturday, September 18, 2004, afternoon sessions

1:15 – 3:00

Session VII: International

Session Chair: Mark Carey, Board of Governors of the Federal Reserve

[Preemptive Distress Resolution through Bank Mergers - PDF](#) 266k

([PDF Help](#))

Ralf Elsas, Goethe-Universität Frankfurt

[Testing for Opaqueness in the European Banking Industry:](#)

[Evidence From Bond Credit Ratings - PDF](#) 291k ([PDF Help](#))

Giuliano Iannotta, Università Commerciale Luigi Bocconi

[What Did the Credit Market Expect of Argentine Default? Evidence](#)

[from Default Swap Data - PDF](#) 454k ([PDF Help](#))

Frank Zhang, Federal Reserve Board

Discussant: Clas Wihlborg, Copenhagen Business School

3:00 – 3:15

--- Break ---

3:15 – 5:00

Session VIII: Issues in Banking Performance

Session Chair: Art Murton, FDIC

[The Theory of Bank Risk-Taking and Competition Revisited - PDF](#)

191k ([PDF Help](#))

John Boyd, University of Minnesota, and

Gianni De Nicoló, International Monetary Fund

[Regulatory Capital and Earnings Management in Banks: The Case](#)

[of Loan Sales and Securitizations - PDF](#) 282k ([PDF Help](#))

N. Emre Karaoglu, University of Southern California

Discussant: Robert DeYoung, Federal Reserve Bank of Chicago

--- Adjournment ---