

FALL 2001

**WASHINGTON AREA FINANCE
ASSOCIATION CONFERENCE**

NOVEMBER 9, 2001

Hosted by:

Office of Economic Analysis
U.S. Securities and Exchange Commission

Location:

William O. Douglas Room (1C-30)
U.S. Securities and Exchange Commission
450 5th St. NW
Washington, DC 20549

Registration is free

Program Schedule:

Registration, Coffee, Tea, and Donuts: 9:30am - 10:00am
First Concurrent Sessions: 10:00am - 12:00pm
Lunch and Speaker: 12:00pm - 2:00pm
Second Concurrent Sessions: 2:00pm - 4:00pm
Social Hour: 4:00pm - 5:00pm

Directions to the SEC:

The SEC is located at 450 5th St. NW in Washington DC. The building has entrances on both 5th and 6th streets (415 6th) and is located between D and E streets. The SEC is within two blocks of the red, yellow, and green lines at the Judiciary Square, Gallery Place\MCI Center, and Archives\Navy Memorial metro stops. Parking is available nearby for a fee (\$7-10) at the AARP or the MCI Center.

The William O. Douglas room is located on the 1C level of the SEC. This is one floor below the lobby level. You can get there by taking the stairway in the middle of the main lobby or the elevators in the main lobby.

Security:

The SEC is a secured government building. The best way to enter is from the 6th street entrance. You will need a picture ID. Upon entering the building, you will pass through a metal detector and security guards will direct you to the visitor center. In the visitor center, security guards will match your ID to the list of conference attendees (you must be on the list) and they will give you a visitor pass. You can now proceed to the William O. Douglas room.

Social Hour:

4:00 pm - 5:00 pm
Capital Grille
601 Pennsylvania NW

Program Committee:

Amy K. Edwards
Murat Aydogdu
Violet Torbey
Lori Walsh
William Atkinson

Special Thanks to Barbara Waits and Natalie Healey

MORNING SESSIONS 10:00AM-12:00PM

SESSION 1: FINANCIAL ACCOUNTING ROOM 1C30a

Chair: Vivek Mande, *SEC and University of Nebraska, Omaha*

Papers:

“What Insiders Know About Future Earnings And How They Use It: Evidence From Insider Trades” by Bin Ke (*Pennsylvania State University*), Steven Huddart (*Pennsylvania State University*), and Kathy Petroni (*Michigan State University*)

“Differential Response of Small, Medium, and Large Traders to 10K Filings on the Internet Via Edgar” by Sharad Asthana (*Temple University*), Steven Balsam (*Temple University*), and Srinivasan Sankaraguruswamy (*Georgetown University*)

“Earnings Management, Shareholder Wealth and the Magnitude of Agency Conflicts Related to Executive Compensation,” by Ronald C. Anderson (*American University*) and Leigh Riddick (*American University*)

“The Valuation of Employee Stock Options as Warrants” by Allan Eberhart (*Georgetown University*)

Discussants:

Steven Henning, *Office of the Chief Accountant, SEC and SMU*
Sundaresh Ramnath, *Georgetown University*
Krishna Kumar, *George Washington University*
Chuck Dale, *SEC*

SESSION 2: INVESTMENTS ROOM 1C30b

Chair: Arthur Wilson, *George Washington University*

Papers:

“Entry Decisions by Mutual Fund Families” by Xinge Zhao (*College of William and Mary*)

“A Theory of Mutual Funds: Optimal Fund Objectives and Industry Organization” by Harry Mamaysky (*Yale School of Management*) and Matthew Spiegel (*Yale School of Management*)

“Asset Allocation for Endowment Funds” by Isabelle Bajeux-Besnainou (*George Washington University*) and Kurtay Ogunc (*Watson Wyatt Worldwide*)

“Investor Overconfidence and the Forward Discount Puzzle” by David Hirshleifer (*Ohio State University*) and Yue Wang (*University of Maryland*)

Discussants:

David Lynch, *Division of Market Regulation, SEC*
Sean Collins, *Investment Company Institute*
Nengjiu Ju, *University of Maryland*
Aktar Siddique, *Georgetown University*

SESSION 3: INTERNATIONAL FINANCE ROOM 1C50

Chair: Gordon Bodner, *Johns Hopkins University*

Papers:

“Corporate Governance and The Home Bias” by Lee Pinkowitz (*Georgetown University*), René Stultz (*Ohio State University*), and Rohan Williamson (*Georgetown University*)

“Differentiated Corporate Governance Structures and Firm Investments: The Evidence from Emerging Markets” by Tanweer Hasan (*Roosevelt University*), Palani-Rajan Kadapakkam (*University of Texas, San Antonio*), and P.C. Kumar (*American University*)

“Trade Credit, Financial Intermediation Development and Industry Growth” by Raymond Fisman (*Columbia University*) and Inessa Love (*The World Bank*)

“Do Cash Dividend And Interest Payments On Securities Explain Turn-Of-Month Effects On Stock Markets Internationally?” by C Bram Cadsby (*University of Guelph*) and Violet Torbey (*SEC and Bond University*)

Discussants:

Frank Warnock, *Federal Reserve Board*
Kim Staking, *Inter-American Development Bank*
David Gould, *Institute for International Finance*
Tony Homan, *SEC*

LUNCH 12:00PM-2:00PM

ROOM 1C30a

KEYNOTE SPEAKER:

Robert K. Herdman
Chief Accountant
Securities and Exchange Commission

AFTERNOON SESSIONS 2:00PM-4:00PM

**SESSION 4: MARKET MICROSTRUCTURE
ROOM 1C30a**

Chair: Jeffrey Harris, *University of Delaware*

Papers:

“On Inferring the Direction of Option Trades” by Robert Savickas (*George Washington University*) and Arthur J. Wilson (*George Washington University*)

“Are the Best Quotes Good Indications of the Supply of Liquidity? Evidence from Decimalization” by Amy Edwards (*SEC*)

“Trade Direction and Information” by Peter R. Locke (*George Washington University*) and Zhan Onayev (*George Washington University*)

Discussants:

Patrick deFontnouvelle, *SEC*
Tim McCormick, *Nasdaq Economic Research*
Frank Hatheway, *Nasdaq Economic Research*

**SESSION 5: BANKING
ROOM 1C30b**

Chair: TBD (Gerald Hanweck, *George Mason University* and *FDIC*?)

Papers:

“Comments on The New Basel Capital Accord: The Crucial Importance of a Conceptual Framework” by Theodore M. Barnhill (*George Washington University*) and Katherine Gleason (*George Washington University*)

“Pricing Deposit Insurance” by Eric Bloecher (*FDIC*), Gary Seale (*FDIC*), and Marc Steckel (*FDIC*)

“An Interpretation of Using a Model of the Cumulative Loss Distribution for Federal Deposit Insurance Pricing for Banks Insured by the FDIC” by Gerald Hanweck (*FDIC* and *George Mason University*)

Discussants:

Jerry Hanweck, *FDIC* and *George Mason University*
Tim Lutton, *OFHEO*
TBD

**SESSION 6: CORPORATE FINANCE
ROOM 1C50**

Chair: P C Kumar, *American University*

Papers:

“Why Companies Use Open-Market Repurchases: A Managerial Perspective” by H. Kent Baker (*American University*), Gary E. Powell (*Towson University*), and E. Theodore Veit (*Rollins College*)

“The Hot Issue Market for Internet Stocks” by David Beard (*Louisiana State University*), Tomas Mantecon (*UNLV*), Karyn L. Neuhauser (*George Washington University*), and Harley E. Ryan Jr. (*Louisiana State University*)

“Rational Markets, Divergent Investor Opinions and Post-Earnings Announcement Drift” by Jon A. Garfinkel (*University of Iowa*) and Jonathan Sokobin (*SEC*)

Discussants:

Deon Strickland, *SEC*
Miroslav Mateev, *University of Delaware*
Wayne Shaw, *Southern Methodist University*