Washington Area Finance Association
Conference Program
Tenth Semiannual Meeting, November 22, 2002
The Catholic University of America
Washington, D.C.
Sponsored by CUA, GWU, & NASDAQ

Registration, Tea/Coffee, Pastries

9:30am-10:00am, University Center West Building, Room 310

Morning Sessions

Session 1: Derivatives
10:00am-12:00pm, University Center West Building, Room 308
Chair: Jamshed Uppal, CUA

Another Look at the Forward-Futures Price Differential in Libor Markets
Don M. Chance Pamplin College of Business, Virginia Tech

Discussant: Peter Locke, GWU

Non-Normal Share Returns: Empirical Observations and Implications for Options Pricing
George M. Jabbour George Washington University
Marat V. Kramin Financial Engineer, Fannie Mae
Timur V. Kramin Executive Director, Tatarstan American Investment Fund, Russia
Stephen D. Young Vice President, Wachovia Securities Equity Derivatives Group

Discussant: Lawrence Schrenk, University of Baltimore

Arbitrage Opportunities in the Gold Futures Market: A threshold Error-Correction Model
Philip A. Shively Lafayette College, PA

Discussant: Frederick Joutz, GWU

A Model for Position Limits on Cash Settled Derivative Indexes
Hans R. Dutt SEC, Office of Economic Analysis
Larry E. Harris SEC, Chief Economist

Discussant: Senay Agca, GWU
Session 2: Market Structure & Asset Pricing
10:00am-12:00pm, University Center West Building, Room 309
Chair: Arthur Wilson, GWU

Asymmetry, Loss Aversion and Forecasting
Shaun Bond  Cambridge, UK & GWU

Discussant: Alex Philipov, Boston College

Large Investors: Implications for Equilibrium Asset Returns, Shock Absorption, and Liquidity
Matthew Pritsker  Board of Governors of the Fed Res System, Washington, DC

Discussant: Arthur Wilson, GWU

Bayesian Analysis of Stochastic Betas
Gergana Jostova  George Washington University
Alexander Philipov  Boston College

Discussant: Robert Savickas, GWU

Time-Varying Risk Premia and The Cross Section of Stock Returns
Hui Guo  Federal Reserve Bank of St. Louis

Discussant: Shaun Bond, GWU

Session 3: Corporate Finance
10:00am-12:00pm, University Center West Building Room 313
Chair: H. Kent Baker, AU

In Search of a Residual Dividend Policy
H. Kent Baker  American University
David M. Smith  University at Albany, SUNY

Discussant: Lori Walsh, SEC

Cash Flow, Risk, and the Role of Private Debt in Capital Structure
Mark Carey  Federal Reserve Board
Mark Hrycay  Federal Reserve Board

Discussant: TBA

Earnings Quality And Price Quality
Ran Hoitash  Rutgers University
Murgie Krishnan  Rutgers University
Srinivasan Sankaraguruswamy  Georgetown University & SEC

Discussant: Christopher Jones, GWU

Mutual Fund Distribution and Delegated Monitoring: An Examination of No-Transaction-Fee Supermarkets
Conrad S. Ciccotello  Georgia State University
Jason T. Greene  Georgia State University
Lori S. Walsh  SEC

Discussant: Erik C. Benrud, University of Baltimore
Luncheon
12:00pm-2:00pm
Hannon Hall, Room 108

Speaker:  Dr. Larry Harris, The Chief Economist of SEC

Topic:   “Regulatory Challenges at the Securities & Exchange Commission”

Afternoon Sessions

Session 4: Market Micro-Structure and Investor Behavior
2:00pm-4:00pm, University Center West Building, Room 308
Chair: Amy Edwards, SEC

Do Professional Traders Exhibit Myopic Loss Aversion? An Experimental Analysis
Michael S. Haigh  University of Maryland
John A. List  University of Maryland

Discussant:  Hui Guo, Federal Reserve Bank of St. Louis

Can Changing Information Costs and Investor Preferences Explain Analysts' "Herd" Behavior?
Erik Benrud  University of Baltimore

Discussant:  Charles Dale, SEC

Order Preferencing and Market Quality on NASDAQ Before and After Decimalization
Kee H. Chung  State University of New York (SUNY) at Buffalo
Chairat Chuwonganant  Indiana University-Purdue University at Fort Wayne
D. Timothy McCormick  The NASDAQ Stock Market, Inc., Rockville, Md

Discussant:  Chul Park, CFTC

Has Decimalization Hurt Institutional Investors? An Investigation into Trading Costs and Order Routing Practices of Buy-Side Institutions
Sugato Chakravart  Purdue University
Venkatesh Panchapagesan  Washington University & Nasdaq
Robert A. Wood  University of Memphis

Discussant:  Amy Edwards, SEC
Session 5: Market Efficiency
2:00pm-4:00pm, University Center West Building, Room 309
Chair: Allan Eberhart, Georgetown University

Transparency and International Investor Behavior
R. Gaston Gelos  IMF
Shang-Jin Wei  IMF

Discussant: Jamshed Uppal, CUA

The Effect of Pre-Formation Price on Momentum Profits
Robert Savickas  George Washington University
Zhan Onayev  George Washington University

Discussant: Bruce Gouldley

Market Myopia, Market Mania, or Market Efficiency? An Examination of Stock and Bond Price Reactions to R&D Increases and Subsequent Performance
Allan C. Eberhart  Georgetown University
William F. Maxwell  University of Arizona
Akhtar R. Siddique  Georgetown University

Discussant: Jay Coughenour, SEC

The Chance of Ruin, The Momentum, and Stochastic Dominance of Risk-Based Strategies
Robert Savickas  George Washington University

Discussant: Gergana Jostova, GWU

Session 6: Banking & Debt
2:00pm-4:00pm, University Center West Building, Room 313
Chair: Khaled Amira, CUA

Predictability in Emerging Sovereign Debt Markets
Gergana Jostova  George Washington University

Discussant: Senay Agca, GWU

Mortgage Models, Interest Rate Risk, and the Consumer: A Four Country Comparison
Soula Proxenos
L. G. Taff

Discussant: TBA

An Analysis of the Likelihood of the Credit Event in OFHEO’s Risk Based Capital Rule
Michael Fratantoni  Fannie Mae

Discussant: Gary Fissel, FDIC

Global Debt Market Growth, Security Structure and Bond pricing
Khaled Amira  Catholic University of America
William Handorf  George Washington University

Discussant: Michael Fratantoni, Fannie Mae
Packing: You may park in the lower level of our Law School parking garage.

Directions to CUA:

The Catholic University of America’s University Center West is located in the CUA Campus. We are close to Metro Red Line at Brookland-CUA station. We will arrange for free parking. For the general direction to the university please go to http://tour.cua.edu/map_overhead.cfm or see below and for the University Center Building go to http://admissions.cua.edu/visit/map.cfm. The CUA address is 620 Michigan Ave. NE, Washington DC.

**From the West - Route 66 to CUA**

Route 66 from Virginia empties onto Constitution Avenue. Continue east on Constitution Avenue past 2nd Street, N.W., and turn left at Louisiana Avenue. At the fifth light, turn left on North Capitol Street. Drive approximately 2.1 miles and turn right on Michigan Avenue. Turn left at the entrance to the Basilica of the National Shrine of the Immaculate Conception.

**From the South - I-95 from Richmond to CUA**

When I-95 intersects the Capital Beltway (Routes 495 and 95), get on Route 395. Follow Route 395 North across the Potomac River until it ends at New York Avenue, where you must turn right. Bear right on M Street. Watch for a sign directing you to North Capitol Street where you will turn left. Drive for approximately 1.4 miles and turn right onto Michigan Avenue. Turn right at the entrance to the Basilica of the National Shrine of the Immaculate Conception.

**From the East**

Take Route 50 West and exit on South Dakota Avenue. Drive approximately 1.3 miles. Turn left on Monroe Street. Stay on Monroe until it merges with Michigan Avenue. Turn right at the entrance to the Basilica of the National Shrine of the Immaculate Conception.

**From the North - Route 270**

Follow 270 South to Washington, D.C., to 495 East. Take Exit 25 (Route 1 South). At approximately 3.5 miles make a right at the light onto Route 410 East-West Highway. At the first light turn left onto Queens Chapel Road/Michigan Avenue. The University is approximately three miles. Turn right at the entrance to the Basilica of the National Shrine of the Immaculate Conception.

**From the North - I-95 to 495**

At 495 follow signs for 495 West. The road will immediately split. Follow 495/Route 1 College Park. Continue following signs for Route 1 and at the exit make a right onto Route 1 South. After approximately 3.5 miles make a right at the light onto Route 410 East-West Highway. At the first light turn left onto Queens Chapel Road/Michigan Avenue. The University is approximately three miles. Turn right at the entrance to the Basilica of the National Shrine of the Immaculate Conception.

**From Ronald Reagan Washington National Airport**

Taxi: Fare from the airport to CUA is approximately $15. CUA's street address is 620 Michigan Avenue, N.E. Metrorail (subway): Take the Metrorail Blue or Yellow Lines. By Blue Line (Addison Road), transfer to the Red Line at Metro Center and continue to the Brookland-CUA station. By the Yellow Line (Gallery Place), transfer to the Red Line (Glenmont) at Gallery Place. Bear left when you exit the Brookland-CUA station.

**From the Baltimore Washington and Dulles International Airports**

The Washington Flyer bus shuttle departs BWI and Dulles every half hour between 5:20 a.m. and 11 p.m. for downtown Washington, D.C., making stops at major hotels and the Farragut Square or McPherson Square Metrorail stations on the Blue and Orange Lines. Fare is $25 one way, $50 round trip. Discounts available for three or more passengers.

**From Amtrak at Union Station**

Taxi: Cab fare from the Union Station to CUA is approximately $7. CUA's street address is 620 Michigan Avenue, N.E. Metrorail (subway): Take the Metrorail Red Line (Wheaton or Silver Spring) two stops to the Brookland-CUA station. Bear left when you exit the station.

**Contacts:**

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