

# FINANCE DOWN UNDER

## 2009 Melbourne Derivatives Research Group Conference

Tuesday 7 April 2009

Conference Programme and Registration



THE UNIVERSITY OF  
MELBOURNE



Financial Integrity Research Network

# FIFTH ANNUAL MELBOURNE DERIVATIVES RESEARCH GROUP CONFERENCE

## Registration Form/Tax Invoice

Places are limited and will be allocated first to FIRN and MDRG members. Closing date for Registrations: March 15, 2009.

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COST  \$250 PER PERSON  
 FREE FOR SPEAKERS, DISCUSSANTS, CURRENT RESEARCH STUDENTS AND ACADEMICS AT FIRN INSTITUTIONS AND MDRG MEMBERS

### PAYMENT DETAILS (ALL REGISTRATIONS MUST BE SIGNED AND DATED BELOW)

Please accept  CHEQUE FOR \$250  
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#### Please return this form to:

Melanie Suda  
Department of Finance, Economics and Commerce Building  
University of Melbourne Victoria 3010 Australia  
F: 8344 6914 T: 8344 9755 E: fin-hod@unimelb.edu.au

# 2009 Melbourne Derivatives Research Group Conference

The University of Melbourne, Department of Finance  
Tuesday, April 7, 2009  
Melbourne Business School, 200 Leicester Street, Carlton Vic 3053

<b>8:30-9:00</b>	<b>COFFEE</b>		
	<b>WELCOME: MARGARET ABERNETHY</b> Dean, Faculty of Economics & Commerce, The University of Melbourne		
	<b>KEYNOTE ADDRESS: MICHAEL BRENNAN (UCLA)</b> Tranching and Rating		
	<b>MORNING A: DERIVATIVES</b> Session Chair: Carsten Murawski (University of Melbourne)		
	<b>Paper</b>	<b>Author</b>	<b>Discussant</b>
<b>9:45-10:30</b>	Firm fundamentals, economics data, and a bubble in the CDS market	Björn Imbierowicz* (Goethe University Frankfurt)	Stefan Trueck (Macquarie University)
<b>10:30-11:00</b>	<b>COFFEE</b>		
<b>11:00-11:45</b>	A unique view of hedge fund derivative usage: Safeguard or speculation?	George Aragon* (Arizona State University) and J. Spencer Martin (Carnegie Mellon)	Carsten Murawski (University of Melbourne)
<b>11:45-12:30</b>	Moral Hazard and adverse selection in the originate-to-distribute model of bank credit	Antje Berndt (Carnegie Mellon) and Anurag Gupta* (Case Western Reserve University)	Patrick Vermijmeren (University of Melbourne)
	<b>MORNING B: PORTFOLIO MANAGEMENT</b> Session Chair: Richard Stapleton (University of Manchester)		
	<b>Paper</b>	<b>Author</b>	<b>Discussant</b>
<b>9:45-10:30</b>	Carbon capture and storage - Investment strategies for the future?	Margarethe Rammerstorfer* (Vienna University of Economics and Business Administration) and Roland Eisl (Vienna University of Technology)	John Handley (University of Melbourne)
<b>10:30-11:00</b>	<b>COFFEE</b>		
<b>11:00-11:45</b>	Conversion risk, non-market wealth and portfolio optimization	Guenter Franke (University of Konstanz) and Harris Schlesinger (University of Alabama) and Richard Stapleton* (University of Manchester)	Tao L. Wu (Illinois Institute of Technology)
<b>11:45-12:30</b>	Time diversification: Definitions and some closed-form solutions	Kee H. Chung (SUNY), William T. Smith (University of Memphis) and Tao L. Wu* (Illinois Institute of Technology)	Qi Zeng (University of Melbourne)
<b>12:30-1:30</b>	<b>LUNCH</b>		

\* paper presenter

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**AFTERNOON A: CORPORATE FINANCE AND FINANCIAL ECONOMETRICS**

Session Chair: Michael Smith (Melbourne Business School)

	<b>Paper</b>	<b>Author</b>	<b>Discussant</b>
<b>1:30-2:15</b>	The information content of implied skewness and kurtosis changes prior to earnings announcements for stock and option returns	Dean Diavatopoulos (Villanova University), James S. Doran* (Florida State University), Andy Fodor (Ohio) and David R. Peterson (Florida State University)	Howard Chan (University of Melbourne)
<b>2:15-3:00</b>	A jumping index of jumping stocks? An MCMC analysis of continuous-time models for individual stocks	Paulo J. M. Rodrigues (Goethe University Frankfurt) and Christian Schlag* (Goethe University Frankfurt)	Michael Smith (Melbourne Business School)
<b>3:00-3:30</b>	<b>COFFEE</b>		
<b>3:30-4:15</b>	Stocking up: Executive optimism and share retention	Rik Sen* (NYU) and Robert Tumarkin (NYU)	Alya Al-Foori (University of Melbourne)

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**AFTERNOON B: VOLATILITY AND ASSET PRICING**

Session Chair: Louis H. Ederington (University of Oklahoma)

	<b>Paper</b>	<b>Author</b>	<b>Discussant</b>
<b>1:30-2:15</b>	Long-term time series volatility forecasts	Louis H. Ederington* (University of Oklahoma) and Wei Guan (University of South Florida)	Jonathan Dark (University of Melbourne)
<b>2:15-3:00</b>	The Joint Effects of Assets Growth and Profitability on Cross Sectional Returns	Gil Aharoni* (University of Melbourne) and Qi Zeng (University of Melbourne)	Richard Stapleton (University of Manchester)
<b>3:00-3:30</b>	<b>COFFEE</b>		
<b>3:30-4:15</b>	Jump risk, stock returns, and slope of implied volatility smile	Shu Yan* (University of South Carolina)	Leon Zolotoy (Melbourne Business School)

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**4:15-5:00 KEYNOTE ADDRESS: STEPHEN LEROY (UC SANTA BARBARA)**

Mortgage Default and Mortgage Valuation

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**5:00-6:00 CANAPÉS**

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\* paper presenter

<http://www.finance.unimelb.edu.au/Research/MDRG.html><http://www.firn.net.au/index.html>