The Paul Woolley Centre for the Study of
Capital Market Dysfunctionality

The Paul Woolley Centre for the Study of Capital Market Dysfunctionality

Second Annual Conference

28 & 29 May 2009

Room R405, 4th Floor, Lionel Robbins Building
Portugal Street, London WC2A 2HD

Organisers:

Bruno Biais ● Amil Dasgupta ● Denis Gromb ● Christopher Polk
Dimitri Vayanos ● Paul Woolley

Registration Enquiries:
Tanya Hall: t.hall@lse.ac.uk

Programme

Thursday 28 May

Registration opens at 9:30 am

Session 1: Financial Institutions and Asset Prices- Theory

10.00 **Risk Appetite and Endogenous Risk**
Jon Danielsson, London School of Economics
Hyun Song Shin, Princeton University
* **Jean-Pierre Zigrand,** London School of Economics
Discussant: Anna Pavlova (London Business School)

11.00 **An Institutional Theory of Momentum and Reversal**
* **Dimitri Vayanos,** London School of Economics
Paul Woolley, London School of Economics
Discussant: Peter Kondor (Central European University)

12.00 **LUNCH**

Session 2: Financial Institutions and Asset Prices- Empirics

13.00 **Analyst Recommendations, Mutual Fund Herding, and Overreaction in Stock Prices**
Nerissa C. Brown, University of Southern California
Kelsey D. Wei, University of Texas, Dallas
* **Russ Wermers,** University of Maryland
Discussant: Dong Lou (Yale University)

14.00 **BREAK**

14.30 **Regulatory Pressure and Fire Sales in the Corporate Bond Markets**
* **Andrew Ellul,** Indiana University
Chotibhak Jotikasthira, University of North Carolina
Christian T. Lundblad, University of North Carolina
Discussant: Tarun Ramadorai (Oxford University)

15.30 **Limited Arbitrage Between Equity and Credit Markets**
* **Nikunj Kapadia,** University of Massachusetts
Xiaoling Pu, Kent State University
Discussant: David Thesmar (HEC Paris)

16.30 **BREAK**

Keynote Address

17.00 **Keynote Address**
* **Andrei Shleifer,** Harvard University

18.00 **CLOSE OF FIRST DAY**

* : Presenter

Programme

Friday 29 May
Registration opens at 9:30 am

Session 3: Behavioural Finance

10.00 **A Model of Casino Gambling**
* **Nick Barberis,** Yale University
Discussant: Kristof Madarasz (London School of Economics)

11.00 **The Chinese Warrants Bubble**
Wei Xiong, Princeton University
* **Jialin Yu,** Columbia Business School
Discussant: Kathy Yuan (London School of Economics)

12.00 **LUNCH**

Session 4: Financial Contracting

13.00 **Large Risks, Limited Liability and Dynamic Moral Hazard**
* **Bruno Biais,** Toulouse School of Economics
Thomas Mariotti, Toulouse School of Economics
Jean-Charles Rochet, Toulouse School of Economics
Stephane Villeneuve, Toulouse School of Economics
Discussant: Zhiguo He (University of Chicago)

14.00 **Securitization, Transparency and Liquidity**
Marco Pagano, Università di Napoli Federico II
* **Paolo Volpin,** London Business School
Discussant: Pete Kyle (University of Maryland)

15.00 **BREAK**

Session 5: Financial Institutions and Portfolio Choice

15.30 **Pension Fund Performance and Risk-Taking Under Decentralised Investment Management**
David Blake, Cass Business School
Allan Timmermann, University of California
* **Ian Tonks,** LSE / University of Exeter
Russ Wermers, University of Maryland
Discussant: Clemens Sialm (University of Texas, Austin)

16.30 **Risk Shifting and Mutual Fund Performance**
Jennifer Huang, University of Texas, Austin
* **Clemens Sialm**, University of Texas, Austin
Hanjiang Zhang, University of Texas, Austin
Discussant: Christopher Polk (London School of Economics)

17.30 **CONFERENCE CLOSE**

* : Presenter