

# Paying for Efficient and Effective Markets

**Dates:** Friday 22 March and Saturday 23 March, 2019

**Venue:** Stationers' Hall, Ave Maria Lane, London, EC4M 7DD

**Organizers:** Kevin James (FCA, SRC), Jon Danielsson (SRC, LSE), and Dimitri Vayanos (PWC, LSE)

## Friday, 22 March

09:30 – 10:00	Registration and Coffee	
10:00 – 10:15	Opening Remarks	
10:15 – 11:45	<b>The Rise of Passive Investing</b>	Chair: <b>Kevin James</b> (FCA, SRC)
	Vladyslav Sushko (BIS) and <b>Grant Turner</b> (BIS) <i>The Implications of Passive Investing for Securities Markets</i>	
	<b>Amarjeet Singh</b> (SEBI) <i>The Asset Management Industry in India – An Overview</i>	
	<b>Daniel Mittendorf</b> (FCA) <i>The Evolution of the Active/Passive Split and the Cost of Price Discovery in the UK</i>	
11:45 – 12:00	Break	
12:00 – 12:45	<b>Market Efficiency: A Peek Behind the Curtain</b>	Chair: <b>Prabhas Rath</b> (SEBI)
	<b>Kevin James</b> (FCA, SRC), Andrea Pirrone (FCA, SRC) and Claudia Robles-Garcia (FCA, LSE) <i>Who Trades?</i>	
12:45 – 13:45	Lunch	
13:45 – 15:15	<b>Asset Management and Market Efficiency</b>	Chair: <b>Claudia Robles-Garcia</b> (FCA, LSE)
	Nicolae Garleanu (UC Berkeley) and <b>Lasse Pedersen</b> (Copenhagen) <i>Active and Passive Investing</i>	
	Andrea Buffa (Boston U), <b>Dimitri Vayanos</b> (LSE), and Paul Woolley (LSE) <i>Asset Management Contracts and Equilibrium Prices</i>	
15:15 – 15:30	Break	
15:30 – 16:15	<b>Common Share Ownership and Market Competition</b>	Chair: <b>Robert Macrae</b> (SRC)
	Miguel Anton (IESE), Florian Ederer (Yale), <b>Mireia Giné</b> (IESE), and Martin Schmalz (Michigan) <i>Common Ownership, Competition, and Top Management Incentives</i>	
16:15 – 17:15	<b>Keynote Speech</b>	Chair: <b>Dimitri Vayanos</b> (PWC, LSE)
	<b>Robert Stambaugh</b> (Wharton) <i>Skill and Fees in Active Management</i>	
17:15 – 18:15	Reception	

# Saturday, 23 March

09:00 – 09:30 Registration and Coffee

09:30 – 11:45 **Passive Investing and Corporate Governance**

Chair: **Amil Dasgupta** (LSE)

**Jill Fisch** (U Penn), Assaf Hamdani (Tel Aviv), and Steven Solomon (Berkeley)  
*Passive Investors*

Cornelius Schmidt (Norwegian School of Economics) and **Rudi Fahlenbrach** (EPFL and Swiss Finance Institute)  
*Do Exogenous Changes in Passive Institutional Ownership Affect Corporate Governance and Firm Value*

**John Morley** (Yale)  
*Too Big To Be An Activist*

11:45 – 12:30 Lunch

12:30 – 13:00 **Stewardship: A Regulatory Perspective**

Chair: **Jane Simons**  
(Dutch Authority for Financial Markets)

**Edwin Schooling Latter** (FCA)  
*Promoting Effective Stewardship*

13:00 – 13:45 **Improving Market Efficiency By Improving Market Design**

Chair: **Mahendrarajah Nimalendran**  
(U. of Florida)

**Matteo Aquilina** (FCA), Eric Budish (Chicago), and Peter O'Neill (FCA)  
*Quantifying the High-Frequency 'Arms Race': A Simple New Methodology and Estimates*

13:45 – 14:00 Break

14:00 – 15:30 **Asset Management and Financial Stability**

Chair: **Jon Danielsson** (SRC, LSE)

Kenechukwu Anadu (FRBB), Mathias Kruttli (FRB), Patrick McCabe (FRB), **Emilio Osambela** (FRB), and Chaehee Shin (FRB)  
*The Shift From Active to Passive Investing: Potential Risks to Financial Stability?*

Nicholas Beale (Sciteb), Richard Gunton (Sciteb), Kutlwano Bashe (Warwick), Heather Battey (Imperial), **Robert MacKay** (Warwick)  
*Dynamics of Value-Tracking In Financial Markets*

15:30 Conference Close



The Paul Woolley Centre for the Study of  
**Capital Market Dysfunctionality**