FRENCH FINANCE ASSOCIATION MEETING
16 & 17, DECEMBER 2004

Location of the Meeting
BNP-PARIBAS - 5 Avenue Kléber, 75116 Paris - France

The Meeting is sponsored by AFG, BNP-PARIBAS, Fondation Banque de France, and Europlace Institute of Finance.

It is organized by the AFFI office, CERAG (University of Grenoble 2) and IRG (University of Paris 12 Val-de-marne)

Association Française de Finance
Association créée le 18 janvier 1979

FRENCH FINANCE ASSOCIATION MEETING 2004

DECEMBER 16TH AND 17TH 2004

SPONSORED BY FONDATION BANQUE DE FRANCE, EUROPLACE INSTITUTE OF FINANCE AND BNP-PARIBAS

WITH THE SUPPORT OF CERAG AND IRG

BNP-PARIBAS, AVENUE KLEBER 5, PARIS 75116

INFORMATION AND REGISTRATION ON

http://affi.asso.fr/december2004us.html

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Olivier Scaillet (HEC Genève)
Patrick Sentis (Université de Montpellier)
Philippe Spieser (ESCP-EAP)

Registration 08H00

SESSION I-1 (16/12/2004 08H30) Corporate Finance 1 – Room A
President : *F. LOBEZ (Université de Lille 2)*

Do external funds really help to finance investment?
Authors N. COUDERC (TEAM-CNRS Université de Paris 1 Panthéon-Sorbonne) & D. JESTAZ (Center on Capitalism and Society Columbia University)
Speaker : N. COUDERC - Discussant : L. FRESARD (University of Neuchatel)

Corporate Investment, Cash Holdings and Financial Constraints: Insights from Japan
Authors: L. FRESARD (University of Neuchatel) & S. FROCHAUX (Kyoto University, Graduate School of Business)
Speaker: L. FRESARD - Discussant: N. COUDERC (TEAM-CNRS University de Paris 1 Panthéon-Sorbonne)

Entry Mode Choice and Foreign Direct Investment Lessons from the Automotive Supplier Industry
Authors: Charalambos Th. CONSTANTINOU (University of Edinburgh) & Costas Th. CONSTANTINOU (Strathclyde Business School)
Speaker : Charalambos Th. CONSTANTINOU - Discussant : B. QUERE (Université de Grenoble 2)

SESSION I-2 (16/12/2004 08H30) Financial Markets 1 – Room B
President : *G. CHEMLA (CEREG, Université de Paris-Dauphine)*

Les modèles d'évaluation des actifs financiers et les co-moments d'ordre 3 et 4
Authors: S. LAJILI (CEREG, Université de Paris-Dauphine)
Speaker: S. LAJILI – Discussant : F-A. SONNEY (University of Neuchatel, FAME)

Semi-moments based tests of normality and the evolution of stock returns toward normality
Authors: F. DESMOULINS-LEBEAULT (CEREG, Université de Paris-Dauphine)
Speaker: F.DESMOULINS-LEBEAULT – Discussant: C. LANG (Université de Genève)

Regime Switching Models: Real or Spurious Long Memory?
Authors: D. GUEGAN (ENS Cachan) & S. RIOUBLANC (ENS Cachan, Banque de France)
Speaker : S. RIOUBLANC – Discussant : L. DEVILLE (CEREG, Université de Paris-Dauphine)

Coffee Break (16/12/2004 10H00) – Room C

SESSION II-1 (16/12/2004 10H30) Financial Markets 2 – Room A
President : *T. FOUCAULT (HEC Paris)*

Upstairs, Downstairs:Does the Upstairs Market Hurt the Downstairs?
Authors: K. FONG (University of New South Sales) & A. MADHAVAN (Barclays Global Investors) & P.L. SWAN (University of New South Sales)
Speaker : K. FONG - Discussant : C. GRESSE (Université de Paris 10 Nanterre)

Centralised Order Book versus Hybrid Order Book
Authors: J-F. GAJEWSKI (IRG, Univ. de Paris 12 Val-de-Marne) & C. GRESSE (CEREG, Univ de Paris 10 Nanterre)
Speaker : C. GRESSE - Discussant : L. LESCOURRET (ESSEC)

Dynamic Order Submission Strategies with Competition between a Dealer Market and a Crossing Network
Authors: H. DEGRYSE (Center for Economic Studies, Katholieke Universiteit Leuven) & G. WUYTS (Center for Economic Studies, Katholieke Universiteit Leuven) & M. VAN ACHTER (Center for Economic Studies, Katholieke Universiteit Leuven)
Speaker: M. VAN ACHTER - Discussant: T. FOUCAULT (HEC Paris))

A New Measure for Determining the Amount of Private Information of Common Stocks
Authors : R. BURLACU (CERAG, Université de Grenoble) & P. FONTAINE (CERAG, Université de Grenoble) & S. JIMENEZ (CERAG, Université de Grenoble)
Speaker : S. JIMENEZ - Discussant : H. DAOUK (Cornell University)

SESSION II-2 (16/12/2004 10h30) Corporate Finance 2 – Room B
President : *U. HEGE (HEC Paris)*

The Impact of Ownership Structure on the Dividend Policy of Japanese Firms with Free Cash Flow Problem
Authors: A. STOURAITIS (City University of Hong-Kong) & L. WU (City University of Hong-Kong)
Speaker: L. WU - Discussant: D. ISAKOV (University of Fribourg, FAME)

Dual class stock unifications and shareholders expropriation
Authors: M. BIGELLI (University of Bologna) & V. MEHROTRA (University of Alberta)
Speaker : M. BIGELLI - Discussant: U. HEGE (HEC Paris)

Stock repurchases on a 2nd trading line
Authors: P-A. DUMONT (HEC-University of Geneva, FAME) & D. ISAKOV (University of Fribourg, FAME) & C. PERIGNON (Simon Fraser University)
Speaker: D. ISAKOV - Discussant: F. BANCEL (ESCP-EAP)

Predicting Systematic Risk: Implications from Growth Options
Authors: E. JACQUIER (HEC Montreal) & S. TITMAN & A. YALCIN
Speaker: E. JACQUIER - Discussant: R. SADKA (University of Washington Business School)

Lunch (16/12/2004 12H30) – Room C

GENERAL ASSEMBLY (16/12/2004 13H30) – Room A

SESSION III-1 (16/12/2004 14H30) Corporate Finance 3 – Room A
President : *D. ISAKOV (University of Fribourg)*

Valuation Effect of Institutional Ownership: the Case of Corporate Takeovers
Authors: H. ZHAO (Durham Business School) & A. ANTONIOU & G. ALEXANDRIDIS
Speaker: H. ZHAO - Discussant: S. XIN LIANG (Hong Kong University of Science and Technology)

Stock-market performance of cross-border mergers and acquisitions: the Canadian evidence
Authors: C. FRANCOEUR (HEC Montréal)
Speaker : C. FRANCOEUR - Discussant : H. ZHAO (Durham Business School)

Time-to-Default: Life Cycle, Global and Industry Cycle Impacts
Authors: F. COUDERC (FAME, University of Geneva) & O. RENAULT (FERC, Warwick Business School)
Speaker : F. COUDERC - Discussant : S. VALCHEV (University of Zurich)

SESSION III-2 (16/12/2004 14H30) Financial Markets 3 – Room B
President: *C. GRESSE (CEREG, Université de Paris 10 Nanterre)*

The CAPM and the Risk Appetite Index: theoretical differences and empirical similarities
Authors: M. PERICOLI (Bank of Italy) & M. SBRACIA (Bank of Italy)
Speaker: M. PERICOLI - Discussant: L. DE MOOR (FWO and DTEW, KU Leuven)

CAPM Tests and Alternative Factor Portfolio Composition: Getting the Alpha's Right
Authors: L. DE MOOR (FWO and DTEW, KU Leuven) & P. SERCU (Graduate School of Business Studies, Leuven)
Speaker : L. DE MOOR - Discussant : M. PERICOLI (Bank of Italy)

Conditions ensuring the separability of asset demand for all risk-averse investors
Authors: K. DACHRAOUI (HEC Montréal) & G. DIONNE (HEC Montréal)
Speaker : G. DIONNE – Discussant : M. VERLAINE (GRID, ENSAM)

Coffee Break (16/12/2004 16H00) – Room C

SESSION IV-1 (16/12/2004 16H30) – Professional and academic meeting « Last findings in credit risk management » co-organized with EUROPLACE INSTITUTE OF FINANCE - Room A

This special session is chaired by Christian JIMENEZ (Ecureuil-Vie, PRMIA)

Speakers:

-Nathalie Pistre, (Ixis asset management), "risk-management of CDOs"

-Thu-Uyen NGUYEN (Merrill Lynch), "Composite loss basket model"

-Etienne VARLOOT (Citigroup), "Constructing credit betas, from measurement to modelling"

-Saurav SEN (Lehman Brothers), "valuation of constant maturity default swaps"

SESSION IV-2 (16/12/2004 16H30) Financial Markets 4 – Room B
President : *M. BIGELLI (University of Bologna)*

When No Law is Better Than a Good Law
Authors: U. BATTACHARYA (Indiana University) & H. DAOUK (Cornell University)
Speaker : H. DAOUK - Discussant : M-J. RIGOBERT (Université des Antilles et de la Guyane)

Financial Consequences of the Bankruptcy Law : European Comparison
Authors: C. LOPEZ GUTTERIEZ (University of Cantabria) & M. GARCIA OLALLA (University of Cantabria) & B. TORRE OLMO (University of Cantabria)
Speaker : B. TORRE OLMO - Discussant: M. BEN SALAH (Université de Caen)

Robust Portfolio Selection with generalized Preferences
Authors: M. VERLAINE (GRID, ENSAM)
Speaker : M. VERLAINE - Discussant : G. DIONNE (HEC Montréal)

Unnatural Selection: Perverse Incentives and the Misallocation of Credit in Japan
Authors: J. PEEK (University of Kentucky) & E-S. ROSENGREN (Federal Reserv bank of Boston)
Speaker : J. PEEK - Discussant : F. COUDERC (FAME, University of Geneva)

AWARDS OF THE BEST PAPERS PUBLISHED IN FRENCH ACADEMIC JOURNALS « FINANCE » AND «BANQUE ET MARCHÉS" - (16/12/2004 18H30) – Room A

Cocktail (16/12/2004 19H00) – Room C

SESSION V-1 (17/12/2004 09H00) Financial Markets 5 – Room A
President : *P. SPIESER (ESCP-EAP)*

Quel peut être l'intérêt d'une diversification internationale en obligations indexées à l'inflation ?
Authors: P. BOULANGER (Centre de Recherche P. B.) & M. BRIERE (CA Asset Management, Cepremap, ULB) & S. DELAGUICHE (CA Asset Management)
Speaker : M. BRIERE & S. DELAGUICHE - Discussant : C. KHAROUBI (ESCP-EAP)

Is international trust performance predictable over time ?
Author: J. FLETCHER (University of Strathclyde) & A. MARSHALL (University of Strathclyde)
Speaker: J. FLETCHER - Discussant : L. BARRAS (FAME, HEC-University of Geneva)

What Drives Cash Flow Based European Private Equity Returns? Fund Inflows, Skilled GPs, and/or Risk?
Authors: C. DILLER (Dept for Financial Management and Capital Markets, Technische Univ. München) & C. KASERER (Technische Univ. München)
Speaker: C. DILLER - Discussant : G. SAN FILIPPO (CERAG, Université de Grenoble 2)

SESSION V-2 (17/12/2004 09H00) Financial Markets 6 – Room B
President : *H. DAOUK (Cornell University)*

Market Deregulations, Volatility and Spillover Effects: Evidence from Emerging Stock Markets
Authors: D K. NGUYEN (CERAG –Université de Grenoble 2)
Speaker: D K. NGUYEN - Discussant: T. DELAUNOIS (Université Catholique de Louvain)

The Determinants of the Time to Efficiency in Options Markets: a Survival Analysis Approach
Authors: L. DEVILLE (CNRS, CEREG - Université de Paris-Dauphine) & Fabrice Riva (CEREG -Université de Paris Dauphine)
Speaker : F. RIVA - Discussant : H. DAOUK (Cornell University)

Necessary and Sufficient Conditions for the Absence of Static Arbitrage Among European Calls
Authors : L. COUSOT (New-York University)
Speaker: L. COUSOT - Discussant :

Coffee Break (17/12/2004 10H30) – Room C

SESSION VI-1 (17/12/2004 11H00) Corporate Finance 4 – Room A
President : *F. DERRIEN (University of Toronto)*

Organization of Research Departments And Financial Analysts' Performance: Sector versus Country Specialization
Authors : F-A. SONNEY (University of Neuchatel, FAME)
Speaker : F-A. SONNEY - Discussant : B. NGUYEN DANG (HEC Paris School of Management)

Do Financial Analysts Curb Earnings Management? International Evidence
Authors : F. DEGEORGE (University of Lugano, CEPR) & Y. DING (HEC, CEIBS) & T. JEANJEAN (HEC) & H. STOLOWY (HEC)
Speaker : T. JEANJEAN - Discussant : C. FRANCOEUR (HEC Montréal)

Investigation of the impact of financial communication intensity on the conditional volatility of stock returns
Authors : J-G. COUSIN (Université de Lille 2) & T. DELAUNOIS (Université Catholique de Louvain)
Speaker : J G. COUSIN - Discussant : D K. NGUYEN (CERAG, Université de Grenoble 2)

SESSION VI-2 (17/12/2004 11H00) Financial Markets 7 – Room B
President : *P. ROGER (Université de Strasbourg)*

Liquidity risk, country market liquidity and total market index return
Authors : S. XIN LIANG (Hong Kong University of Science and Technology)
Speaker : S. XIN LIANG - Discussant : J. FLETCHER (University of Strathclyde)

Partial Information, Default Hazard Process, and Default Risky Bonds
Authors : M. JEANBLANC (Université d'Evry) & S. VALCHEV (University of Zurich)
Speaker : S. VALCHEV - Discussant : L. COUSOT (New-York University)

Optimal portfolio diversification and product market diversifications
Authors : G. CHEMLA (CEREG, Université de Paris-Dauphine)
Speaker : G. CHEMLA - Discussant : P. ROGER (LARGE, Université de Strasbourg)

Lunch (17/12/2004 12H30) – Room C

SESSION VII-1 (17/12/2004 14H00) Corporate Finance 5 – Room A
President : *H. DE LA BRUSLERIE (Université de Paris Panthéon-Sorbonne)*

Media Coverage of CEOs and Firm Valuation: Is Charisma Overvalued?
Authors : B. NGUYEN DANG (HEC Paris School of Management)
Speaker : B. NGUYEN DANG - Discussant : F. DERRIEN (University of Toronto)

Quid Pro Quo in IPOs: Why Book-building is Dominating Auctions
Authors : F. DEGEORGE (University of Lugano, CEPR) & F. DERRIEN (University of Toronto) & K-L. WOMACK (Dartmouth College)
Speaker : F. DERRIEN - Discussant : J. LE MAUX (Université de Paris 1 Panthéon-Sorbonne)

Does self-regulation work in a civil law country? An empirical analysis of the declaration of conformity to the German Corporate Governance Code
Authors : E. NOWAK (University of Lugano) & R. ROTT (Goethe University) & T-G. MAHR (KPMG)
Speaker : E. NOWAK - Discussant : H. de la BRUSLERIE (Université de Paris 1 Panthéon-Sorbonne)

SESSION VII-2 (17/12/2004 14H00) Financial Markets 8 - Room B
President : *F. QUITTARD-PINON (Université de Lyon)*

Informational versus non-informational aspects of liquidity risk:The pricing of momentum stocks
Authors : R. SADKA (University of Washington Business School)
Speaker : R. SADKA - Discussant : K. FONG (University of New South Sales)

Measurement of SME credit risk using different default criterions
Authors : M. DIETSCH (Université de Strasbourg)
Speaker : M. DIETSCH - Discussant : P. SPIESER (ESCP-EAP)

Liquidity, size and cycle of order flow in an order-driven exchange
Authors : W.M.Y. CHEUNG (Hong-Kong Polytechnic university) & F. SONG (Hong-Kong Polytechnic university)
Speaker : W.M.Y.CHEUNG - Discussant : M. DIETSCH (Université de Strasbourg)

Coffee Break (17/12/2004 15H30) – Room C

SESSION VIII-1 (17/12/2004 16H00) Financial Markets 9 – Room A
President : *C. WALTER (PricewaterhouseCoopers, IEP Paris)*

Is the Performance of Conditional Asset Allocation Real? Analysis under Real-Time Uncertainty
Authors : L. BARRAS (FAME, HEC-University of Geneva)
Speaker : L. BARRAS - Discussant : S. JIMENEZ (CERAG, Université de Grenoble 2)

La concentration de la performance : quelques résultats empiriques
Authors : C. WALTER (PricewaterhouseCoopers, IEP Paris)
Speaker : C. WALTER - Discussant : S. ATTAOUI (Université de Paris 1 Panthéon-Sorbonne)

Hedging performance of the libor market model: the CAP market case
Authors: S. ATTAOUI (Université de Paris 1 Panthéon-Sorbonne)
Speaker : S. ATTAOUI - Discussant : C. WALTER (PricewaterhouseCoopers, IEP Paris)

SESSION VIII-2 (17/12/2004 16H00) Corporate Finance 6 – Room B
President : *F. DEGEORGE (University of Lugano)*

Stock Options and Managers' Incentives to Cheat
Authors : M. CHESNEY (University of Zurich) & R. GIBSON-ASNER (University of Zurich)
Speaker : M. CHESNEY - Discussant : O. GHODBANE (Université de Paris 1 Panthéon-Sorbonne)

Stock options et gestion du groupe des actionnaires dominants:vers un effet de levier de contrôle ?
Authors : H. DE LA BRUSLERIE (Université de Paris 1 Panthéon-Sorbonne)
Speaker : H. DE LA BRUSLERIE - Discussant : G. CHEMLA (CEREG, Université de Paris-Dauphine)

The subjective value of executive stock options: a comparative study
Authors : O. GHODBANE (Université de Paris 1 Panthéon Sorbonne)
Speaker : O. GHODBANE - Discussant : J. MARTIN (University of Lugano)