2017 FMA Latin American Conference
16 - 17 February 2017
ITAM Santa Teresa Campus
Mexico City, Mexico

Conference Program

Thursday, 16 February 2017

9:15 AM – 10:45 AM	**Session 1: Ownership and Corporate Governance** **Location: Room 204** Session Chair: Burcin Col, Pace University What Drives Corporate Inversions? International Evidence *Burcin Col, Pace University; Rose Liao, Rutgers University and Stefan Zeume, University of Michigan* Presenter: Burcin Col, Pace University | Discussant: Jason Heavilin, Iona College Ownership structure and employee effort: Evidence from family firms *Daniel Wolfenzon, Columbia University; Morten Bennedsen, INSEAD; Margarita Tsoutsoura, University of Chicago* Presenter: Daniel Wolfenzon, Columbia University | Discussant: Brian Broughman, Indiana University Tax Enforcement and Income Diversion: Evidence after Putin's election in 2000 *Juan-Pedro Gomez, IE Business School; Maxim Mironov, IE Business School* Presenter: Juan-Pedro Gomez, IE Business School | Discussant: Burcin Col, Pace University
9:15 AM – 10:45 AM	**Session 2: Capital Structure** **Location: Room 203** Session Chair: Wolfgang Drobetz, Hamburg University Firms' Capital Structure Choices and Endogenous Dividend Policies *Hursit Celil, Peking University; Mengyang Chi, Virginia Tech* Presenter: Mengyang Chi, Virginia Tech | Discussant: Jaideep Oberoi, University of Kent Health Insurance Risk and Firm Financial Leverage *Sara Holland, University of Georgia; Mary Elizabeth Thompson, Miami University of Ohio* Presenter: Sara B Holland, University of Georgia | Discussant: Wolfgang Drobetz, Hamburg University

9:15 AM – 10:45 AM	**Session 3: Jumps** **Location: Room 202** Session Chair: Emilio Osambela, Board of Governors of the Federal Reserve System Idiosyncratic Jump Risk Matters: Evidence from Equity Returns and Options *Jean-Francois Begin, HEC Montreal; Christian Dorion, HEC Montreal; Genevieve Gauthier, HEC Montreal* Presenter: Christian Dorion, HEC Montreal | Discussant: Jun (Tony) Ruan, Xiamen University Robust Portfolio Optimization When Asset Prices Can Jump *Felix Matthys, ITAM; Yacine Ait-Sahalia, Princeton* Presenter: Felix Matthys, ITAM | Discussant: Emilio Osambela, Board of Governors of the Federal Reserve System
11:00 AM – 12:30 PM	**Session 4: Stocks** **Location: Room 204** Session Chair: Javier Rodriguez, University of Puerto Rico Volatility in the stock indexes of APEC members, the GAS model *Felipe Ruiz-Rivera, EGADE Business School; Humberto Valencia-Herrera, EGADE Business School* Presenter: Humberto Valencia-Herrera, EGADE Business School | Discussant: TBD Active Share and Emerging Equity Mutual Funds *Aron Gottesman, Pace University; Matthew Morey, Pace University* Presenter: Matthew Morey, Pace University | Discussant: Javier Rodriguez, University of Puerto Rico Short Selling at the Lock-up Expiration *Yuchen Wang, University of Science and Technology of China; Ekkehart Boehmer, Singapore Management University* Presenter: Yuchen Wang, University of Science and Technology of China | Discussant: Grace Hao, University of Texas at Arlington
11:00 AM – 12:30 PM	**Session 5: Bank Lending** **Location: Room 203** Session Chair: Bernd Schwaab, European Central Bank Bank business models at zero interest rates *Andre Lucas, VU Amsterdam; Julia Schaumburg, VU Amsterdam; Bernd Schwaab, European Central Bank* Presenter: Bernd Schwaab, European Central Bank | Discussant: Alejandro Drexler, Federal Reserve Bank of Chicago Are Syndicated Loans really cheaper? *Janko Hernandez, Instituto Tecnologico Autonomo de Mexico; Josep Tribo, Universidad Carlos III de Madrid; Maria Adamuz, Instituto Tecnologico Autonomo de Mexico* Presenter: Janko Hernández Cortés, Instituto Tecnologico Autonomo de Mexico | Discussant: Bernd Schwaab, European Central Bank The Impact of Basel III Capital Regulation on Bank Lending *Jose Berrospide, Federal Reserve Board; Rochelle Edge, Federal Reserve Board* Presenter: Jose Berrospide, Federal Reserve Board | Discussant: Felix Matthys, ITAM

11:00 AM – 12:30 PM	**Session 6: Pricing and Forecasting** **Location: Room 202** Session Chair: Christian Dorion, HEC Montreal Loss functions for forecasting treasury yields *Hitesh Doshi, University of Houston; Kris Jacobs, University of Houston; Rui Liu, University of Houston* Presenter: Hitesh Doshi , University of Houston | Discussant: TBD On the Pricing Role of Idiosyncratic Risk *Jun (Tony) Ruan, Xiamen University; Qian Sun, Fudan University; Yexiao Xu, University of Texas at Dallas* Presenter: Jun (Tony) Ruan, Xiamen University | Discussant: Christian Dorion, HEC Montreal Pricing a Bivariate Option on the SP500 and the IPC with Copulas *Christian Bucio-Pacheco, Universidad Autonoma del Estado de Mexico; Francisco Lopez-Herrera, Universidad Nacional Autonoma de Mexico; Roberto Santillan-Salgado, EGADE Business School* Presenter: Roby Roberto J. Santillan-Salgado, EGADE Business School | Discussant: Janko Hernández Cortés, ITAM
12:45 PM - 2:00 PM	**Lunch** **Location: Sala de Usos Multiples, Edificio Biblioteca**
2:15 PM - 3:45 PM	**Session 7: Firm Ownership and Control** **Location: Room 204** Session Chair: Philip English II, Temple University On the Role of Foreign Directors: New Insights from Cross-Listed Firms *Chinmoy Ghosh, University of Connecticut; Fan He, Central Connecticut State University; Haoyong Zhou, Keele University* Presenter: Chinmoy Ghosh, University of Connecticut | Discussant: Mengyang Chi, Virginia Tech Do Family Controlled Firms Take a Bigger Slice? *Ezgi Ottolenghi, Temple University; Philip English, II, Temple University* Presenter: Philip English II, Temple University | Discussant: Jannine Poletti-Hughes, University of Liverpool Corporate governance compliance of family and non-family listed firms in Latin American emerging markets *Guadalupe Briano Turrent, Universidad Autonoma de San Luis Potosi; Jannine Poletti-Hughes, University of Liverpool* Presenter: Jannine Poletti-Hughes, University of Liverpool | Discussant: Philip English II, Temple University

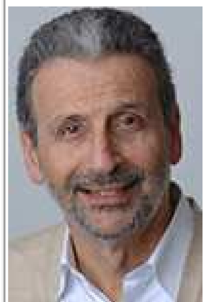
2:15 PM - 3:45 PM	**Session 8: Research Workshop for Assistant Professors with Andrew Karolyi** **Location: Sala B**  Andrew Karolyi Associate Dean for Academic Affairs Johnson Graduate School of Management at Cornell University Professor Karolyi is an internationally-known scholar in the area of investment management, with a specialization in the study of international financial markets. He has published extensively in journals in finance and economics, including the Journal of Finance, Journal of Financial Economics and Review of Financial Studies, and has published several books and monographs. His research has been covered extensively in print and electronic media, including The Wall Street Journal, Financial Times, The Economist, Time, New York Times, Washington Post, Forbes, BusinessWeek, and CNBC. Karolyi currently serves as executive editor of the Review of Financial Studies, one of the top-tier journals in finance. He is and has also served as an associate editor for a variety of journals, including the Journal of Finance, Journal of Financial Economics, Journal of Empirical Finance, Journal of Banking and Finance, Review of Finance and the Pacific Basin Finance Journal. He is a recipient of the Fama/DFA Prize for Capital Markets and Asset Pricing (2005), the William F. Sharpe Award for Scholarship in Finance (2001), the Journal of Empirical Finance's Biennial Best Paper Prize (2006), the Fisher College of Business' Pace Setter Awards for Excellence in Research and Graduate Teaching and Johnson's Prize for Excellence in Research in 2010.
2:15 PM - 3:45 PM	**Session 9: Regulation and Policy** **Location: Room 203** Session Chair: Alfredo Ibáñez, ITAM Channels of US Monetary Policy Spillovers into International Bond Markets *Elias Albagli Luis Ceballos, Central Bank of Chile; Sebastian Claro, Central Bank of Chile; Damian Romero, Central Bank of Chile* Presenter: Elias Albagli, Central Bank of Chile | Discussant: Jose Berrospide, Federal Reserve Board Central bank liquidity interventions and cross-border spillovers *Carlo Alcaraz, Banco de Mexico; Stijn Claessens, Federal Reserve Board; Gabriel Cuadra, Banco de Mexico; David Marques-Ibanez, European Central Bank* Presenter: Horacio Sapriza, Federal Reserve Board | Discussant: Carlos Parra, ITAM Is Stress Testing Good for Banks? *Joseph Tzur, Ruppin Academic Center; Arie Jacobi, Ono Academic College* Presenter: Joseph Tzur, Ruppin Academic Center | Discussant: Alfredo Ibáñez, ITAM
3:45 PM - 4:15 PM	**Coffee Break with Exhibitors** **Location: 2nd Floor Terrace, Edificio Aulas**

4:15 PM - 5:45 PM	**Session 10: Banking** **Location: Room 204** Session Chair: Sara G. Castellanos, Banco de México Do banks differently set their liquidity ratios based on their network characteristics? *Isabelle Distinguin, Universite de Limoges; Aref Mahdavi-Ardekani, Universite de Limoges; Amine Tarazi, Universite de Limoges* Presenter: Amine Tarazi, Universite de Limoges | Discussant: Sara G. Castellanos, Banco de México Cross-Border Bank Flows and Systemic Risk *G. Andrew Karolyi, Cornell University; John Sedunov, Villanova University; Alvaro Tagoada, University of Tennessee* Presenter: Andrew Karolyi, Cornell University | Discussant: Amine Tarazi, Universite de Limoges Deposit Shocks and Credit Supply: Evidence from U.S. Lottery Winners *Carlos Parra, ITAM* Presenter: Carlos Parra, ITAM | Discussant: Emilia Garcia-Appendini, St Gallen University
4:15 PM - 5:45 PM	**Session 11: Stock Returns** **Location: Room 203** Session Chair: Xuemin (Sterling) Yan, University of Missouri Abnormal Research and Development Investments and Stock Returns *Jason Heavilin, Iona College; Hilmi Songur, Northwest Missouri State University* Presenter: Jason Heavilin, Iona College | Discussant: Aurelio Vasquez, ITAM Predicting Sell-Side Analysts' Relative Earnings Forecast Accuracy When It Matters Most *Niklas Bluemke, University of Cologne; Dieter Hess, University of Cologne; Alexander Stolz, University of Cologne* Presenter: Niklas Bluemke, University of Cologne | Discussant: Xuemin (Sterling) Yan, University of Missouri Fundamental Analysis and the Cross-Section of Stock Returns: A Data-Mining Approach *Xuemin (Sterling) Yan, University of Missouri; Lingling Zheng, Renmin University of China* Presenter: Xuemin (Sterling) Yan, University of Missouri | Discussant: Matthew Morey, Pace University
4:15 PM - 5:45 PM	**Session 12: Bankruptcy and Default** **Location: Room 202** Session Chair: Horacio Sapriza, Federal Reserve Board Industry bankruptcies and firm investment *Emilia Garcia-Appendini, St Gallen University* Presenter: Emilia Garcia-Appendini, St Gallen University | Discussant: Horacio Sapriza, Federal Reserve Board A Simple Measure of Default-risk Based on Endogenous Credit-risk Models *Alfredo Ibáñez, ITAM* Presenter: Alfredo Ibáñez, ITAM | Discussant: Jorge Cruz Lopez, Bank of Canada

4:15 PM - 5:45 PM	**Session 13: Acquisitions** **Location: Sala B** Session Chair: Antonio J. Macias, Baylor University Can serial acquirers be profiled? *Antonio Macias, Baylor University; Raghavendra Rau, University of Cambridge; Aris Stouraitis, Hong Kong Baptist University* Presenter: Antonio J. Macias, Baylor University | Discussant: Chinmoy Ghosh, University of Connecticut Shareholder Decision Rights in Acquisitions: Evidence from Tender Offers *Audra Boone, US Securities and Exchange Commission; Brian Broughman, Indiana University; Antonio Macias, Baylor University* Presenter: Brian Broughman, Indiana University | Discussant: Haitong Li, Alliance Manchester Business School Does Competition Policy Affect Acquisition Efficiency? Evidence from the Reform of European Merger Control *Gishan Dissanaike, University of Cambridge; Wolfgang Drobetz, Hamburg University; Peyman Momtaz, Hamburg University* Presenter: Wolfgang Drobetz, Hamburg University | Discussant: Antonio J. Macias, Baylor University
6:00 PM - 7:30 PM	**Reception** **Location: Sala de Usos Multiples, Edificio Biblioteca** *Additional registration fees apply.

Friday, 17 February 2017

9:30 AM – 11:00 AM	**Session 14: Volatility and Returns** **Location: Room 203** Session Chair: Hitesh Doshi, University of Houston Firm leverage and equity option returns *Aurelio Vasquez, ITAM; Xiao Xiao, Erasmus University* Presenter: Aurelio Vasquez, ITAM | Discussant: Hitesh Doshi, University of Houston Volatility and Expected Option Returns *Guanglian Hu, University of Houston; Kris Jacobs, University of Houston* Presenter: Kris Jacobs, University of Houston | Discussant: TBD
9:30 AM – 11:00 AM	**Session 15: Investor Behavior** **Location: Room 202** Session Chair: Steven Cahan, University of Auckland Does credit risk explain market participants' cognitive biases? -Evidence from anchoring bias in analysts' earnings forecasts *Samar Ashour, University of Texas at Arlington; Grace Hao, University of Texas at Arlington* Presenter: Grace Hao, University of Texas at Arlington | Discussant: Konstantinos Gavriilidis, University of Stirling Investor Attention to Stock Recommendations *Konstantinos Gavriilidis, University of Stirling; Patrick Herbst, University of Stirling; Anastasios Kagkadis, Lancaster University* Presenter: Konstantinos Gavriilidis, University of Stirling | Discussant: Steven Cahan, University of Auckland Media Slant and Investor Inattention *Steven Cahan, University of Auckland; Chen Chen, Monash University; Nhut Nguyen, Massey University* Presenter: Steven Cahan, University of Auckland | Discussant: Erik Devos, University of Texas at El Paso
9:30 AM – 11:00 AM	**Session 16: Panel Session on Market Infrastructure and Financial Stability** **Location: Sala B** Panelists: Jorge Cruz Lopez, Bank of Canada; Emilio Osambela, Board of Governors of the Federal Reserve System; Serafin Martinez-Jaramillo, Banco de México

11:15 AM – 12:30 PM	**Keynote Presentation** **Location: Auditorio Santa Teresa, Edificio Investigadores**  **[Eduardo Schwartz]** Distinguished Professor of Finance; California Chair in Real Estate a Chair UCLA Anderson School of Management Eduardo Schwartz is a professor of finance at the Anderson School California, Los Angeles, where he holds the California Chair in Real is known for pioneering research in several areas of finance, particu contributions include: the real options method of pricing investments Longstaff–Schwartz model - a multi-factor short-rate model; the Lon valuing American options by Monte Carlo Simulation; the use of Fini option pricing. He has published more than 80 articles in finance and economics jo Trigeorgis is an author of Real Options and Investment Under Unce focuses on the pricing of Internet companies, asset allocation issues resource investments, the stochastic behavior of commodity prices, protected R&D projects.
12:30 PM - 1:45 PM	**Lunch** **Location: Sala de Usos Multiples, Edificio Biblioteca**
2:00 PM - 3:30 PM	**Session 17: Panel Session on Corporate Governance** **Location: Sala B** Panelists: To be announced.
2:00 PM - 3:30 PM	**Session 18: Foreign Exchange and Currency** **Location: Room 203** Session Chair: Lloyd Blenman, University of North Carolina-Charlotte Global and Regional Risk in Currency Returns *Jairo Rednón, Pontificia Universidad Javeriana* Presenter: Jairo A. Rendón, Pontificia Universidad Javeriana | Discussant: Lloyd Blenman, University of North Carolina-Charlotte FX Liquidity Risk and Carry Trade Returns *Samuel Abankwa, Wells Fargo; Lloyd Blenman, University of North Carolina-Charlotte* Presenter: Lloyd Blenman, University of North Carolina-Charlotte | Discussant: Valeria Martinez, Fairfield University Intraday Price Discovery Analysis in the Foreign Exchange Market of an Emerging Economy: Mexico *Valeria Martinez, Fairfield University; Yiuman Tse, University of Missouri – St. Louis* Presenter: Valeria Martinez, Fairfield University | Discussant: Jairo A. Rendón, Pontificia Universidad Javeriana

2:00 PM - 3:30 PM	**Session 19: Returns and Skewness** **Location: Room 202** Session Chair: Babak Lotfaliei, San Diego State University Do funds flows chase skewness? *Andrea Heuson, University of Miami; Mark Hutchinson, University College Cork; Alok Kumar, University of Miami; Chendi Zhang, Warwick Business School* Presenter: Andrea Heuson, University of Miami | Discussant: Babak Lotfaliei, San Diego State University Variance Risk Premium and Investment Uncertainty *Jan Ericsson, McGill University; Babak Lotfaliei, San Diego State University* Presenter: Babak Lotfaliei, San Diego State University | Discussant: Joseph Tzur, Ruppin Academic Center Robustly Modelling the Scale and Shape Dynamics of Stock Return Distributions *Jim Griffin, University of Kent; Evangelia Mitrodima, London School of Economics; Jaideep Oberoi, University of Kent* Presenter: Jaideep Oberoi, University of Kent | Discussant: Humberto Valencia-Herrera, EGADE Business School
2:00 PM - 3:30 PM	**Session 20: Employee Welfare, Incentives and Performance** **Location: Room 201** Session Chair: Juan-Pedro Gomez, IE Business School Financial Incentives and Loan Officer Behavior: Multitasking and Allocation of Effort under an Incomplete Contract *Patrick Behr, Getulio Vargas Foundation; Alejandro Drexler, Federal Reserve Bank of Chicago; Reint Gropp, IWH, University of Magdeburg and SAFE; Andre Guettler; University of Ulm* Presenter: Alejandro Drexler, Federal Reserve Bank of Chicago | Discussant: Juan-Pedro Gomez, IE Business School Can Promotion Tournaments Produce Bad Managers? Evidence of the "Peter Principle" *Alan Benson, University of Minnesota; Danielle Li, Harvard Business School; Kelly Shue, University of Chicago* Presenter: Kelly Shue, University of Chicago | Discussant: Yuchen Wang, University of Science and Technology of China
3:30 PM - 4:00 PM	**Coffee Break with Exhibitors** **Location: 2nd Floor Terrace, Edificio Aulas**

4:00 PM - 5:30 PM	**Session 21: Corporate Investment** **Location: Room 203** Session Chair: Sadok El Ghoul, University of Alberta What Explains the Product Market Component of Corporate Investment? *M. Cecilia Bustamante, University of Maryland; Laurent Fresard, University of Maryland* Presenter: Cecilia Bustamante, University of Maryland | Discussant: Sadok El Ghoul, University of Alberta Vertical Integration to Mitigate Internal Capital Market Inefficiencies: Theory and Evidence *Erik Devos, University of Texas at El Paso; He Li, University of Texas at El Paso* Presenter: Erik Devos, University of Texas at El Paso | Discussant: Roby Roberto J. Santillan-Salgado, EGADE Business School New Evidence on the Role of the Media in Corporate Social Responsibility *Sadok El Ghoul, University of Alberta; Omrane Guedhami, University of South Carolina; Robert Nash, Wake Forest University; Ajay Patel, Wake Forest University* Presenter: Sadok El Ghoul, University of Alberta | Discussant: Sara B Holland, University of Georgia
4:00 PM - 5:30 PM	**Session 22: Stock Picking and Portfolio Management** **Location: Room 202** Session Chair: Alex Horenstein, University of Miami Portfolio Choice in Mexico: An Empirical Investigation *Alex Horenstein, University of Miami; Avichai Snir, Netanya College* Presenter: Alex Horenstein, University of Miami | Discussant: Chay Ornthanalai, Rotman School of Management Speed and Expertise in Stock Picking: Older, Slower, and Wiser? *Romain Boulland, ESSEC Business School; Chayawat Ornthanalai, Rotman School of Management; Kent Womack, Rotman School of Management* Presenter: Chay Ornthanalai, Rotman School of Management | Discussant: Niklas Bluemke, University of Cologne Stock Selection Skill, Manager Flexibility, and Performance: Evidence from Unit Investment Trusts *George Comer, Georgetown University; Javier Rodriguez, University of Puerto Rico* Presenter: Javier Rodriguez, University of Puerto Rico | Discussant: Alex Horenstein, University of Miami

4:00 PM - 5:30 PM	**Session 23: Venture Capital and Social Lending** **Location: Room 201** Session Chair: Laura Gonzalez, Fordham University Innovation in Entrepreneurial Firms and VC Exits *Arif Khurshed, Alliance Manchester Business School; Susanne Espenlaub, Alliance Manchester Business School; Haitong Li, Alliance Manchester Business School* Presenter: Haitong Li, Alliance Manchester Business School | Discussant: Laura Gonzalez, Fordham University Online social lending: The effect of legal and cultural frameworks *Laura Gonzalez, Fordham University* Presenter: Laura Gonzalez, Fordham University | Discussant: Andrea Heuson, University of Miami
5:45 PM - 9:00 PM	**Gala Dinner** **Location: Sala de Usos Multiples, Edificio Biblioteca** *Additional registration fees apply.