

The 7th International Conference on Asia-Pacific Financial Markets

CAFM 2012

Date : December 8, 2012

Place : The Westin Chosun Hotel, Seoul, Korea

Host : Korean Securities Association

Sponsors



사단
법인 한국증권학회
KOREAN SECURITIES ASSOCIATION



INVITATION

We are pleased to invite you to the Seventh International Conference on Asia-Pacific Financial Markets (CAFM 2012), held by the Korean Securities Association (KSA) on December 8, 2012 in Seoul.

Seven years ago, this conference was started to celebrate the inclusion of the Asia-Pacific Journal of Financial Studies (AJFS) in the Social Science Citation Index (SSCI). The occasion was particularly meaningful because an Asian academic finance journal had been listed in the SSCI for the first time. AJFS publishes articles bimonthly including a special issue published every April. Wiley-Blackwell has been chosen as a publication partner for the journal, and started publishing the journal in 2010. The impact factor of the journal has been around 0.4 and the AJFS Editorial Office has been working hard to raise this figure to the next respectable position.

In CAFM 2012, 43 papers will be presented in 12 sessions. These papers were selected among 91 papers submitted from 17 countries through blind peer-review process. The selected papers exhibit high standards of academic quality and cover a wide range of important contemporary issues. Among these papers, nine papers, including one best Ph.D. dissertation award, will be awarded for excellence during the conference.

This conference will provide a great opportunity for participants to discuss and exchange perspectives on the ongoing important issues in financial markets worldwide. Moreover, the conference will be an ideal venue for participants who wish to network with finance academics and industry experts from various countries.

We would like to express our heartfelt appreciation to all the sponsors who provided generous support for the conference. We also extend our special thanks to the members of this year's Review Committee who evaluated the academic paper submissions and to those of Local Organization Committee. Finally, we offer our sincere thanks to all participants-keynote speakers, paper presenters, session chairpersons, discussants, and attendees. Please enjoy the CAFM 2012 and make sure you take some time to enjoy dynamic city of Seoul and Korean culture.

Sincerely,

December, 2012

Myung-Jig Kim, President of the KSA
Chang-Soo Kim, Program Chair



● Saturday, December 8, 2012

08:30 ~ 09:30 Registration / Continental breakfast (2F)

09:30 ~ 11:30 Academic Session 1, 2, 3, 4 (2F)

11:30 ~ 13:45 Luncheon (2F, Orchid Room)

Welcome Address : Dr. Myung-Jig Kim

President, Korean Securities Association

Keynote Speech : Dr. S. Ghon Rhee

University of Hawaii

14:00 ~ 15:30 Academic Session 5, 6, 7, 8 (2F)

15:45 ~ 17:45 Academic Session 9, 10, 11, 12 (2F)

18:00 ~ 21:00 Farewell Dinner (2F, Orchid Room)

Keynote Speech : Mr. Jong Soo Park

Chairman and CEO, Korea Financial Investment Association

Best Paper Award : Dr. Chang-Soo Kim

Program Chair

● Academic Session Program

TIME	Session Topics		ROOM(2F)
09:30~11:30	Session 1	Corporate Governance	Lilac
	Session 2	Banking	Tulip
	Session 3	Funds	Cosmos
	Session 4	Derivatives	Violet
14:00~15:30	Session 5	Ph.D. Session	Lilac
	Session 6	Credit Ratings	Tulip
	Session 7	Investments	Cosmos
	Session 8	International Finance	Violet
15:45~17:45	Session 9	Managerial Incentives	Lilac
	Session 10	Asset Pricing	Tulip
	Session 11	IPO, M&A	Cosmos
	Session 12	Trading	Violet

 December 8, 09:30 ~ 11:30

 **Session 1 : Corporate Governance**

Chair : Jun-Koo Kang
(Nanyang Technological Univ.)

Title	Author	Discussant
Are Institutional Investors with Multiple Blockholdings Effective Monitors?	Jun-Koo Kang (Nanyang Technological Univ.) Juan Luo (Nanyang Technological Univ.) Hyun Seung Na (City Univ. of Hong Kong)	Omrane Guedhami (Univ. of South Carolina)
Congruence within the Top Management: How “Old Boy Network” Affects Executive Appointment and Performance	Daemin Ahn (Korea Univ.) Woojin Kim (Seoul National Univ.) Eun Jung Lee (Hanyang Univ.) Kyung Suh Park (Korea Univ.)	Hyun Seung Na (City Univ. of Hong Kong)
Does Corporate Governance Affect Earnings Management? Evidence from an Exogenous Shock to Governance in Korea	Julia Nasev (Univ. of Cologne) Bernard Black (Northwestern Univ.) Woochan Kim (Korea Univ.)	Martin Dierker (KAIST)
Does Competition Enhance Independent Director Productivity?	Shinwoo Kang (Univ. of Michigan) E. Han Kim (Univ. of Michigan) Yao Lu (Tsinghua Univ.)	Woochan Kim (Korea Univ.)

 **Session 2 : Banking**

Chair : Beom-Sik Jang (Soongsil Univ.)

Title	Author	Discussant
Sovereign Credit Risk, Banks’ Government Support, and Bank Stock Returns around the World	Ricardo Correa (Federal Reserve Board) Kuan-Hui Lee (Seoul National Univ.) Horacio Sapriza (Federal Reserve Board) Gustavo Suarez (Federal Reserve Board)	Olfa Maalaoui Chun (KAIST)
Testing for Competition in the South Korean and Chinese Commercial Banking Markets	Kang H. Park (Missouri State Univ.)	Sunghwan Kim (Kyungpook National Univ.)
Too Many To Fail: The Effect of Regulatory Forbearance on Market Discipline	Wook Sohn (KDI School of Public Policy and Management) Hyosoon Choi (Korea Deposit Insurance Corporation)	Sun Eae Chun (Chung-Ang Univ.)
Collectivism and Corruption in Bank Lending	Xiaolan Zheng (Univ. of South Carolina) Sadok El Ghouli (Univ. of Alberta) Omrane Guedhami (Univ. of South Carolina) Chuck C.Y. Kwok (Univ. of South Carolina)	Wook Sohn (KDI School of Public Policy and Management)

Session 3 : Funds

Chair : Yong-Cheol Kim (Univ. of Wisconsin-Milwaukee)

Title	Author	Discussant
Modelling and Forecasting Failure of Hedge Funds and Funds-of-Hedge Funds	Hee Soo Lee (Yonsei Univ.) Maxwell Stevenson (Univ. of Sydney) Juan Yao (Univ. of Sydney)	Junesuh Yi (Dongguk Univ.)
The Costs of ETF Membership: Valuation Effect of ETFs on Underlying Firms	Kee-Hong Bae (York Univ.) Jun-Koo Kang (Nanyang Technological Univ.) Jin Wang (Wilfrid Laurier Univ.)	Jae Hyun Lee (Soongsil Univ.)
Performance Persistence and Flow Restrictions in Hedge Funds	Kee-Hong Bae (York Univ.) Junesuh Yi (Dongguk Univ.)	Jee Hyun Kim (Hallym Univ.)
Competition of Socially Responsible and Conventional Mutual Funds and its Impact on Fund Performance	Martin Kim (Monash Univ.) Francis In (Monash Univ.) Sangbae Kim (Kyungpook National Univ.) Tong Suk Kim (KAIST)	Jungsoon Shin (Ewha Womans Univ.)

Session 4 : Derivatives

Chair : Sang Bin Lee (Hanyang Univ.)

Title	Author	Discussant
Can Derivatives Information Predict Stock Price Jumps?	Noe-Keol Kwark (Hanyang Univ.) Sang-Gyung Jun (Hanyang Univ.) Hyoung-Goo Kang (Hanyang Univ.)	Sol Kim (Hankuk Univ. of Foreign Studies)
A Unified Model: Arbitrage-free Term Structure Movements of Flow Risks	Thomas S. Y. Ho (Thomas Ho Co., Ltd.) Sang Bin Lee (Hanyang Univ.)	Kwangil Bae (Chonnam National Univ.)
Asymmetric Sneers & Forecasting Implied Volatility within an Ad Hoc Black-Scholes Framework	Youngsoo Choi (Hankuk Univ. of Foreign Studies) Steven J. Jordan (Econometric Solutions) Wonchang Lee (Hi Investment & Securities Co., Ltd.)	Hyoung-goo Kang (Hanyang Univ.)
Roll-Over Parameters and Option Pricing	Sol Kim (Hankuk Univ. of Foreign Studies)	Youngsoo Choi (Hankuk Univ. of Foreign Studies)

 December 8, 14:00 ~ 15:30

 **Session 5 : Ph.D. Session**

Chair : Sun-Wung Hwang (Chung-Ang Univ.)

Title	Author	Discussant
Improving the Predictability of Stock Market Returns with the Growth of Options Open Interest	Suk Joon Byun (KAIST) Jun Sik Kim (KAIST)	Hyo Seob Lee (Korea Capital Market Institute)
Does Competition Affect the Role of Banks as Liquidity Providers?	Sung Wook Joh (Seoul National Univ.) Jeongsim Kim (Seoul National Univ.)	Yuenjung Park (KAIST)
Business Cycle and Credit Risk Modeling with Jump Risks	Bong-Gyu Jang (POSTECH) Yuna Rhee (POSTECH) Ji Hee Yoon (Univ. of Wisconsin-Madison)	Gyoocheol Shim (Ajou Univ.)

 **Session 6 : Credit Ratings**

Chair : In Joon Kim (Yonsei Univ.)

Title	Author	Discussant
Systematic Risk and Credit Ratings	Daniel Rösch (Leibniz Univ. of Hannover) Harald Scheule (Univ. of Technology, Sydney)	Tao Wang (National Univ. of Singapore)
Can Reputation Concerns always Discipline Credit Rating Agencies? Evidence from Corporate bond Issuance Ratings	Tao Wang (National Univ. of Singapore)	Harald Scheule (Univ. of Technology, Sydney)
Credit Rating Changes and Earnings Management	Young S. Kim (Northern Kentucky Univ.) Yura Kim (Kookmin Univ.) Kyojik "Roy" Song (Sungkyunkwan Univ.)	Soku Byoun (Baylor Univ.)

Session 7 : Investments

Chair : Dongcheol Kim (Korea Univ.)

Title	Author	Discussant
Investor Sentiment from Internet Message Postings and Predictability of Stock Returns	Dongcheol Kim (Korea Univ.) Soon-Ho Kim (Korea Univ.)	Jae Joon Han (Inha Univ.)
Momentum and Investor Sentiment: Evidence from Asian Stock Markets	Shangkari V. Anusakumar (Univ. Sains Malaysia) Ruhani Ali (Univ. Sains Malaysia) Hooy Chee Wooi (Univ. Sains Malaysia)	Cheol-Won Yang (Dankook Univ.)
Time-Varying Expected Momentum Profits	Dongcheol Kim (Korea Univ.) Tai-Young Roh (KAIST) Byoung-Kyu Min (Univ. of Neuchâtel) Suk-Joon Byun (KAIST)	Hyoung-Jin Park (Seoul Women's Univ.)

Session 8 : International Finance

Chair : Hyuk Choe (Seoul National Univ.)

Title	Author	Discussant
The Efficiency of the Information Processing in the Australian Dollar Market: Price Discovery following Scheduled and Unscheduled News	Lawrence Daniel (Univ. of Sydney) Suk-Joong Kim (Univ. of Sydney) Michael D. McKenzie (Cambridge Univ.)	Jin-Wan Cho (Korea Univ.)
Flight-to-Quality and Correlation between Currency and Stock Returns	Jin-Wan Cho (Korea Univ.) Joung Hwa Choi (Seoul National Univ.) Taeyong Kim (Morningstar Associates Korea) Woojin Kim (Seoul National Univ.)	Vidhan K. Goyal (Hong Kong Univ. of Science and Technology)
Price Spillover and Dynamic Correlation in the Shanghai A- and B- share Stock Markets: Evidence from the B-share's Opening to Chinese Citizens	Jung-Lieh Hsiao (National Taipei Univ.) Teng-Tsai Tu (National Taipei Univ.)	Paul M.S. Choi (Ewha Womans Univ.)

 December 8, 15:45 ~ 17:45

 **Session 9 : Managerial Incentives**

Chair : J. B. Chay (Sungkyunkwan Univ.)

Title	Author	Discussant
Does Engagement in Corporate Social Responsibility Provide Insurance-like Effects?	Yung-Ming Shiu (National Chengchi Univ.) Shou-Lin Yang (National Cheng Kung Univ.)	Jon Jungbien Moon (Korea Univ.)
Provision of Management Incentives in Bankrupt Firms	Vidhan K. Goyal (Hong Kong Univ. of Science and Technology) Wei Wang (Queen's Univ.)	Woojin Kim (Seoul National Univ.)
Founding-Family Firm and Top Executive Option Portfolio Sensitivities	Mieszko Mazur (IESEG School of Management) Betty (H.T.) Wu (Yonsei Univ.)	Ji-Woong Chung (Korea Univ.)
Why Do Some Firms Go Debt-Free?	Soku Byoun (Baylor Univ.) William T. Moore (Univ. of South Carolina) Zhaoxia Xu (Polytechnic Institute of New York Univ.)	James L. Park (Korea Univ.)

 **Session 10 : Asset Pricing**

Chair : Bong Soo Lee (Florida State Univ.)

Title	Author	Discussant
An Analysis of Stock Returns and Aggregate Earnings	Yunhao Chen (Florida International Univ.) Xiaoquan Jiang (Florida International Univ.) Bong Soo Lee (Florida State Univ.)	Francis In (Monash Univ.)
Time Variations in Expected Illiquidity Premium	Jeewon Jang (KAIST) Jangkoo Kang (KAIST) Changjun Lee (Hankuk Univ. of Foreign Studies)	Yunsung Eom (Hansung Univ.)
The Role of Structural Uncertainty in Asset Returns	Young Il Kim (KDI)	Woonwook Jang (Yonsei Univ.)
The Volatility of Firm's Assets and the Leverage Effect	Jaewon Choi (Univ. of Illinois) Matthew Richardson (New York Univ. and NBER)	Young Il Kim (KDI)

11 Session 11 : IPO, M&A

Chair : E. Han Kim (Univ. of Michigan)

Title	Author	Discussant
Positive Feedback Trading, Short Sale Constraint, and IPO Underpricing: Theory and Empirical Evidence	Ming Guo (Shanghai Jiaotong Univ.)	Joon Ho Hwang (Korea Univ.)
Weak Firms follow Strong Firms in Hot IPO Markets	Kiyoung Chang (Univ. of South Florida Sarasota-Manatee) Yong-Cheol Kim (Univ. of Wisconsin-Milwaukee) Hyeongsop Shim (Ulsan National Institute of Science and Technology)	Jungwon Suh (Sungkyunkwan Univ.)
Liquidity and Returns to Target Shareholders in the Market for Corporate Control	Kaun Y. Lee (Chung-Ang Univ.) Kee H. Chung (State Univ. of New York at Buffalo)	Kuan-Hui Lee (Seoul National Univ.)
Do Banks Monitor Corporate Decisions? Evidence from Bank Financing of Mergers and Acquisitions	Sheng Huang (Singapore Management Univ.) Ruichang Lu (National Univ. of Singapore) Anand Srinivasan (National Univ. of Singapore)	Jaewon Choi (Univ. of Illinois)

12 Session 12 : Trading

Chair : Sang Lyong Joo (Hongik Univ.)

Title	Author	Discussant
Public News Arrival and Cross-Asset Correlation Breakdown: Implications for Algorithmic Trading	Kin-Yip Ho (Australian National Univ.) Wai-Man (Raymond) Liu (Australian National Univ.) Jing Yu (The Univ. of Western Australia)	Kyong Shik Eom (Univ. of Seoul)
Trading Responses to Analyst Reports by Investor Types: A Study of Korea's Unique Data Set	Kyung Soon Kim (Hankuk Univ. of Foreign Studies) Yun Woo Park (Chung-Ang Univ.) Jin Woo Park (Hankuk Univ. of Foreign Studies)	Kin-Yip Ho (Australian National Univ.)
The Effect of a Listing Switch from a New Market to a Main Board: Market Macrostructure Evidence	Jong-Ho Park (Sunchon National Univ.) Ki Beom Binh (Myungji Univ.) Kyong Shik Eom (Univ. of Seoul)	Doojin Ryu (Chung-Ang Univ.)

Program Committee

Chair : Chang-Soo Kim
(Yonsei University)

- Hee-Joon Ahn
(Sungkyunkwan University)
- Joon Chae
(Seoul National University)
- Yeong Suk Cho
(Mokpo National University)
- Byung-Uk Chong
(University of Seoul)
- Jay M. Chung
(Soongsil University)
- Jaehoon Hahn
(Yonsei University)
- Joon Ho Hwang
(Korea University)
- Bong Chan Kho
(Seoul National University)
- Sol Kim
(Hankuk University of Foreign Studies)
- Woojin Kim
(Seoul National University)
- Hangyong Lee
(Hanyang University)
- Jang Woo Lee
(Pusan National University)
- Kaun Y. Lee
(Chung-Ang University)
- Kwangwoo Park
(KAIST)
- Joonhee Rhee
(Soongsil University)
- Junghoon Seon
(Konkuk University)
- Jungsoon Shin
(Ewha Womans University)
- Jung Bum Wee
(Kyung Hee University)
- Junesuh Yi
(Dongguk University)
- Jeongsun Yun
(Kookmin University)

Review Committee

Chair : Chang-Soo Kim
(Yonsei University)

- Kee-Hong Bae
(York University)
- Paul Brockman
(Lehigh University)
- Jay M. Chung
(Soongsil University)
- Kee H. Chung
(State University of New York at Buffalo)
- Jaehoon Hahn
(Yonsei University)
- Jun-Koo Kang
(Nanyang Technological University)
- Sol Kim
(Hankuk University of Foreign Studies)
- Woojin Kim
(Seoul National University)
- Bong-Soo Lee
(Florida State University)
- Lilian K. Ng
(University of Wisconsin-Milwaukee)
- Kwangwoo Park
(KAIST)
- K.C. John WEI
(Hong Kong University of Science and Technology)



III KAL Limousine Bus

- Bus Stop : No 4B / 11A (KAL Limousine stop) on the first floor of the Airport Building (outdoor bus arrival area)
- You can buy tickets at the airport limousine counters or directly from limousine drivers upon boarding.
- Fare : ₩15,000
 - 1) Incheon International Airport to The Westin Chosun
First Bus 04:47/Last Bus 22:35(4B), 22:40(11A)
 - 2) The Westin Chosun to Incheon International Airport
First Bus 05:35 / Last Bus 18:35 / Interval : 20 min.
- Travel Time
Typical : 1 hour 10 min. / Rush Hour : Over 2 hours

III Subway Train

- Fare : ₩3,800 from Incheon International Airport to City Hall Station
- Direction
 - Take AREX at Incheon International Airport Station bound for Hong Ik University
 - At Hong Ik Univ Station, Transfer to Transit Line Number 2 toward City hall
 - Get off at City Hall Station On Line No.1 (KNR-Dark Blue Line) or Line No. 2 (Green Line)
Exit Gates # 6, #7 or at Uljiro 1 (il) ga Station :On Line No. 2 (Green Line) Exit Gate #7
 - Walking distance to the Westin Chosun Hotel
- Travel Time : 90 minutes



사단
법인 **한국증권학회**
KOREAN SECURITIES ASSOCIATION

143 Uisadang-daero, Yeongdeungpo-gu, Seoul, 150-974, Korea

Tel : 82-2-783-2615

Fax : 82-2-783-6539

<http://www.apjfs.org>

<http://www.ksa.or.kr>