

The 10th International Conference on Asia-Pacific Financial Markets



CAFM 2015

Date | December 5, 2015

Place | The Westin Chosun Hotel, Seoul, Korea

Host | Korean Securities Association

Sponsors



사단
법인 **한국증권학회**
KOREAN SECURITIES ASSOCIATION



INVITATION

We have the pleasure of inviting you to participate in the Tenth International Conference on Asia-Pacific Financial Markets (CAFM 2015) on December 5, 2015 in Seoul, which is held by the Korean Securities Association (KSA)

The CAFM has become one of the most important gatherings for scholars and researchers in Asia Pacific region since the KSA started this conference nine years ago to celebrate the inclusion of the Asia-Pacific Journal of Financial Studies (AJFS) in the SSCI. Last year the KSA has chosen Wiley again as a publication partner of the journal for the next several years and the AJFS will be handled professionally by Wiley from the submission of the articles to the publication.

This year our keynote speaker is Professor Kevin J. Murphy at University of Southern California with the title of “Explaining CEO Pay.” The main part of the conference will be the excellent 43 academic papers presentation in 12 sessions. These papers were competitively selected among more than 97 papers submitted from 20 countries through blind peer-review process. Among these papers nine papers, including one best Ph.D. dissertation, will be awarded for excellence at the banquet.

This conference will provide a great opportunity for participants to discuss and exchange perspectives on important contemporary issues in financial markets worldwide.

Moreover, the conference will be an ideal venue for participants who wish to broaden their networks with finance scholars and industry experts from various countries.

We would like to express our profound gratitude to all the sponsors who provided generous support for the conference. We also extend our special thanks to the members of the Review Committee who evaluated papers and to those of the Organization Committee.

Finally, we offer our sincere thanks to all participants, presenters, session chairpersons, discussants, and attendees. Welcome again to the CAFM 2015 and enjoy the pleasant conference here in Seoul.

Sincerely,

December, 2015

Dong-Soon Kim, President of the KSA
Young S. Park, Program Chair



● Saturday, December 5, 2015

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. Dong-Soon Kim
President, Korean Securities Association

Keynote Speech : Dr. Kevin J. Murphy
University of Southern California

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. Kyoung Soo Choi
Chairman and CEO, Korea Exchange

Keynote Speech : Mr. Young-Key Hwang
Chairman and CEO Korea Financial Investment Association

Best Paper Award : Dr. Young S. Park
Program Chair

● Academic Session Program

TIME	Session Topics		ROOM(2F)
09:30~11:30	Session 1	Asset Pricing Theory	Lilac
	Session 2	Banking	Tulip
	Session 3	Corporate Finance I	Cosmos
	Session 4	Empirical Asset Pricing	Violet
14:00~15:30	Session 5	CEO & Board of Directors	Lilac
	Session 6	Corporate Governance	Tulip
	Session 7	Financial Institutions	Cosmos
	Session 8	Corporate Finance II	Violet
15:45~17:45	Session 9	Behavioral Finance	Lilac
	Session 10	Investment	Tulip
	Session 11	International Finance	Cosmos
	Session 12	Ph.D. Session	Violet

 December 5, 09:30 ~ 11:30

 **Session 1 : Asset Pricing Theory**

Chair : Jinwoo Park
(Hankuk Univ. of Foreign Studies)

Title	Author	Discussant
Skewness vs. Kurtosis: Implications for Pricing and Hedging Options	Sol Kim (Hankuk Univ. of Foreign Studies)	Yuen Jung Park (Hallym Univ.)
How Annuity Demand is Affected by Insurer Default Risk	Bong-Gyu Jang (POSTECH) Hyeng Keun Koo (Ajou Univ.) Seyoung Park (POSTECH)	Sojung Park (Seoul National Univ.)
The TIPS Puzzle: Evidence from Korea	Jangkoo Kang (KAIST) Soonhee Lee (KAIST)	Baeho Kim (Korea Univ.)
Comparing Nested Predictive Regression Models with Persistent Predictors	Yan Ge (Central Univ. of Finance and Economics) Tae-Hwy Lee (Univ. of California, Riverside) Michael W. McCracken (Federal Reserve Bank)	Hee Soo Lee (Yonsei Univ.)

 **Session 2 : Banking**

Chair : J. B. (Jong-Bom) Chay (Sungkyunkwan Univ.)

Title	Author	Discussant
Heterogeneous Bank Lending, Gross Loan Flows, and the Macroeconomy	Junghwan Hyun (Hiroshima Univ.)	Ha-Chin Yi (Texas State Univ.)
Market Power and Detrimental Effects of Competition: Evidence from the Taiwanese Banking Industry	Charles Chang (Shanghai Jiao Tong Univ.) Paul Moon Sub Choi (Ewha Womans Univ.) Seth H. Huang (Ewha Womans Univ.)	Hyung-Suk Choi (Ewha Womans Univ.)
Systemic Leverage and Homogeneity: Assessing Multifaceted Amplifying Mechanism of Systemic Risk	Myeong Hyeon Kim (Korea Univ.) Baeho Kim (Korea Univ.)	Daejin Kim (UNIST)
Will Basel III Liquidity Measures Affect Bank's Funding Costs and Financial Performance?: Evidence from U.S. Commercial Banks	Muhammad Saifuddin Khan (Univ. of Technology Sydney) Harald Scheule (Univ. of Technology Sydney) Eliza Wu (Univ. of Technology Sydney)	Bum Kim (Soongsil Univ.)

④ Session 3 : Corporate Finance I

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

Title	Author	Discussant
Do Private Firms Perform Better than Public Firms	Serkan Akguc (Temple Univ.) Jongmoo Jay Choi (Temple Univ.) Suk-Joong Kim (The Univ. of Sydney)	Xiaoran Huang (Nanyang Technological Univ.)
Spillover Effects within Business Groups: The Case of Korean Chaebols	Denis Yongmin Joe (KAIST) Frederick Dongchuhl Oh (KAIST)	Yujing Ma (Nanyang Technological Univ.)
Dynamic Capital Structure of Value and Growth Firms	Jaehoon Lee (Yonsei Univ.)	Sung Won Seo (Ajou Univ.)
Earnings Management and Bank Loan Contracting	Young Sang Kim (Northern Kentucky Univ.) Yura Kim (Univ. of Seoul) Ha-Chin Yi (Texas State Univ.)	T. Mandy Tham (Nanyang Technological Univ.)

④ Session 4 : Empirical Asset Pricing

Chair : Dongcheol Kim (Korea Univ.)

Title	Author	Discussant
Why Has the Size Premium Disappeared?	Dong-Hyun Ahn (Seoul National Univ.) Byoung-Kyu Min (The Univ. of Sydney) Bohyun Yoon (Kangwon National Univ.)	Tae-Hwy Lee (Univ. of California, Riverside)
Limits of Arbitrage and Tax Expense Momentum	Hyoung-Goo Kang (Hanyang Univ.) Young Jun Kim (Hankuk Univ. of Foreign Studies) Yongoh Roh (Seoul National Univ.)	Woojin Kim (Seoul National Univ.)
Transitory Price, Resiliency and the Cross-Section of Stock Returns	Jinyong Kim (KAIST) Yongsik Kim (KAIST)	Soosung Hwang (Sungkyunkwan Univ.)
Investor Sentiment, Anomalies, and the Macroeconomy	Dongcheol Kim (Korea Univ.) Haejung Na (Korea Univ.)	George J. Jiang (Washington State Univ.)

 December 5, 14:00 ~ 15:30

 **Session 5 : CEO & Board of Directors** Chair : Chang-Soo Kim (Yonsei Univ.)

Title	Author	Discussant
Does Board Diversity Affect Corporate Dividend Policy?	Soku Byoun (Baylor Univ.) Kiyoung Chang (Univ. of South Florida) Young Sang Kim (Northern Kentucky Univ.)	Joonghyuk Kim (Korea Univ.)
Are Overconfident CEOs Good Leaders? Evidence from Stakeholder Commitments	J. Kenny Phua (Nanyang Technological Univ.) T. Mandy Tham (Nanyang Technological Univ.) Chishen Wei (Nanyang Technological Univ.)	Taekyu Kim (Hallym Univ.)
Market-Based Executive Compensation under Asymmetric Information	Guangsug Hahn (POSTECH) Joong Yeop Kwon (POSTECH)	Junghoon Seon (Konkuk Univ.)

 **Session 6 : Corporate Governance** Chair : Jaek Khil (Hanyang Univ.)

Title	Author	Discussant
Public vs. Private Firms: Easy Money Flows to Easy Investments	Heejung Choi (Korea Univ.) Jungwon Suh (Sungkyunkwan Univ.)	Denis Yongmin Joe (KAIST)
The Effect of Corporate Governance on Corporate Social Responsibility (CSR): Evidence from the Institutional Shareholder Services (ISS)	Pandej Chintrakarn (Mahidol Univ. International College) Pornsit Jiraporn (Pennsylvania State Univ.) Jang-Chul Kim (Northern Kentucky Univ.) Young Sang Kim (Northern Kentucky Univ.)	Eun Jung Lee (Hanyang Univ.)
Sensitivities of Corporate Investment and Financing Decisions to the Implied Cost of Capital	Soku Byoun (Baylor Univ.) David Ng (Cornell Univ.) Kai Wu (Cornell Univ.)	Jaehoon Han (Yonsei Univ.)

Session 7 : Financial Institutions

Chair : Inmoo Lee (KAIST)

Title	Author	Discussant
The Invisible Hand of Internal Markets in Mutual Fund Families	Luis Goncalves-Pinto (National Univ. of Singapore) Juan Sotes-Paladino (Univ. of Melbourne)	Hugh Hoikwang Kim (Sungkyunkwan Univ.)
The More Connected, the Better?: New Evidence of Connectedness' Impact on Volatility and Price Discovery Focused on the Korean Financial Sector	Deokjong Jeong (KAIST) Sunyoung Park (KAIST)	Young Kyu Park (Sungkyunkwan Univ.)
Social Networks in the Global Banking Sector	Joel F. Houston (Univ. of Florida) Jongsu Lee (Univ. of Florida) Felix Suntheim (Financial Conduct Authority)	Jhin Young Shin (Yonsei Univ.)

Session 8 : Corporate Finance II

Chair : Hee-Joon Ahn (Sungkyunkwan Univ.)

Title	Author	Discussant
Human Capital Driven Acquisition: Evidence from the Inevitable Disclosure Doctrine	Huasheng Gao (Nanyang Technological Univ.) Yujing Ma (Nanyang Technological Univ.)	Youngjoo Lee (Sogang Univ.)
Institutional Investment Horizons and Corporate Innovation	Hyun-Dong Kim (KAIST) Kwangwoo Park (KAIST)	Paul Moon Sub Choi (Ewha Womans Univ.)
Geographic Concentration of Institutions, Corporate Governance, and Firm Value	Jun-Koo Kang (Nanyang Technological Univ.) Xiaoran Huang (Nanyang Technological Univ.)	Jungwon Suh (Sungkyunkwan Univ.)

 December 5, 15:45 ~ 17:45

 **Session 9 : Behavioral Finance**

Chair : Beom-Sik Jang (Soongsil Univ.)

Title	Author	Discussant
A Smiling Bear in the Equity Options Market and the Cross-Section of Stock Returns	Hye Hyun Park (Korea Univ.) Baeho Kim (Korea Univ.) Hyeongsop Shim (UNIST)	Keehwan Park (Kookmin Univ.)
The Brilliant Mind of Investors	Kristjan Liivamägi (Tallinn Univ. of Technology) Tõnn Talpsepp (Tallinn Univ. of Technology) Tarvo Vaarmets (Tallinn Univ. of Technology)	Byoung-Kyu Min (The Univ. of Sydney)
Local Twitter Activity and Stock Returns	Bok Baik (Seoul National Univ.) Qing Cao (Texas Tech Univ.) Sunhwa Choi (Lancaster Univ.) Jin-Mo Kim (Rutgers Univ.)	Young Sang Kim (Northern Kentucky Univ.)
Overconfidence in Cross-Sectional Asset Returns	Soosung Hwang (Sungkyunkwan Univ.)	Haejung Na (Korea Univ.)

 **Session 10 : Investment**

Chair : Hyuk Choe (Seoul National Univ.)

Title	Author	Discussant
Does Macro-News Help to Interpret Micro-News? Evidence from Post-Earnings-Announcement Drift	Linda H. Chen (Washington State Univ.) George J. Jiang (Washington State Univ.) Kevin X. Zhu (Hong Kong Polytechnic Univ.)	Yongsik Kim (KAIST)
The Effect of Option Transaction Costs on Informed Trading in the Option Market around Earnings Announcements	Suresh Govindaraj (Rutgers Univ.) Yubin Li (Rutgers Univ.) Chen Zhao (Rutgers Univ.)	Sol Kim (Hankuk Univ. of Foreign Studies)
Closing Price Manipulation in Call Auctions: Evidence from the Hong Kong Stock Exchange	Wing Suen (Univ. of Hong Kong) Kam-Ming Wan (Hong Kong Polytechnic Univ.)	Tõnn Talpsepp (Tallinn Univ. of Technology)
Information Discovery by Analysts	Naveen Daniel (Drexel Univ.) Sang Mook Lee (Penn State Univ.) Lalitha Naveen (Temple Univ.)	Andy Kim (Sungkyunkwan Univ.)

Session 11 : International Finance

Chair : Sung C. Bae
(Bowling Green State Univ.)

Title	Author	Discussant
Profitability of Trades from Tax Havens: Stock Picking Ability or Insider Information?	Woojin Kim (Seoul National Univ.) Cheol-Won Yang (Dankook Univ.)	Suk-Joong Kim (The Univ. of Sydney)
Bidders, Rivals, and Wealth Creation of the Banking Market Consolidation Process in the Asia-Pacific Region	Sascha Kolaric (Technische Universität Darmstadt) Dirk Schiereck (Technische Universität Darmstadt)	Jung Sun Yun (Kookmin Univ.)
Foreign Currency Debt Financing, Firm Value, and Risk: Evidence from Korea Surrounding Global Financial Crisis	Sung C. Bae (Bowling Green State Univ.) Hyeon Sook Kim (Chungnam National Univ.) Taek Ho Kwon (Chungnam National Univ.)	Ji Yeol Jimmy Oh (Hanyang Univ.)
Corporate Environmental Responsibility and the Cost of Capital: International Evidence	Sadok El Ghoul (Univ. of Alberta) Omrane Guedhami (Univ. of South Carolina) Hakkon Kim (KAIST) Kwangwoo Park (KAIST)	Hyeongsop Shim (UNIST)

Session 12 : Ph.D. Session

Chair : Myung-Jig Kim (Hanyang Univ.)

Title	Author	Discussant
Does Product Market Competition Affect Corporate Governance? Evidence from Corporate Takeovers	Frederick Dongchuhl Oh (KAIST) Seunghun Shin (KAIST)	Chune Young Chung (Chung-Ang Univ.)
Political Proximity and U.S Media Sentiment	Thomas Ruf (Univ. of New South Wales) Jun Myung Song (Univ. of New South Wales) Bohui Zhang (Univ. of New South Wales)	In Huh (Catholic Univ. of Korea)
Impact of Truncation on Model-Free Implied Moment Estimator	Geul Lee (Univ. of New South Wales) Li Yang (Univ. of New South Wales)	Jungmu Kim (Yeungnam Univ.)

Program Committee

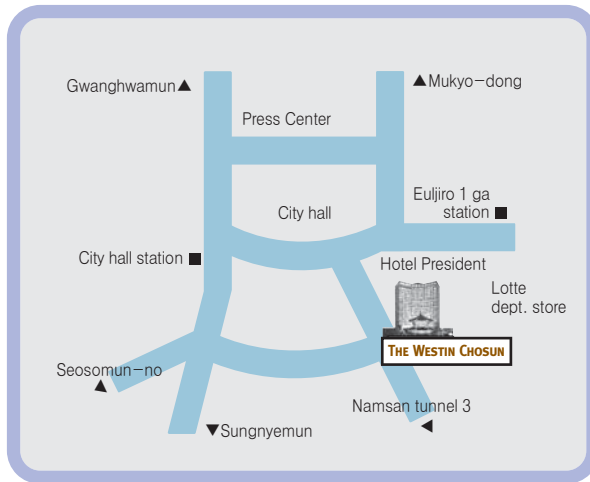
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III KAL Limousine Bus

- 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



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