Program

Day 1 - Monday, August 1, 2005	
Session 1 Chair: Espen Eckbo (Dartmouth)	
8:30 - 9:20 am Neal Stoughton (UC Irvine and Calgary) **Optimal capital allocation in banking** Joint with Josef Zechner	Discussant: Bryan Routledge (CMU)
9:20 - 10:10 am Michael Roberts (Wharton) **The Pecking Order, Debt Capacity, and Information Asymmetry** Joint with: Mark Leary	Discussant: Nathalie Moyen (Colorado)
10:10 - 10:40 am Coffee Break	
Session 2 Chair: Lu Zhang (Rochester)	
10:40 - 11:30 am David Chapman (Boston College) **Information proxies, linear approximations, and conditional pricing models** Joint with: Michael Brandt	Discussant: Lorenzo Garlappi (Texas)
11:30 - 12:20 pm Harjoat Bhamra (UBC) **The effect of improved risk sharing on stock-market return volatility** Joint with: Raman Uppal	Discussant: Jacob Sagi (Berkeley)
12:20 - 2:00 pm Lunch Break	

Session 3 Chair: Mark Kamstra (York)	
2:00 - 2:50 pm Arvind Krishnamurthy (Northwestern) **Financial System Risk and Flight to Quality** Joint with: Ricardo Caballero	Discussant: Burton Hollifield (CMU)
2:50 - 3:40 pm Richard Green (Carnegie Mellon) **The microstructure of the bond market in the 20th century** Joint with: Bruno Biais	Discussant: Ed Rice (Washington)
4:00 - 6:00 pm "Three-slide Session" 4:00 - 4:15 p.m. Gordon Roberts (York U.) **The Evolution of Corporate Borrowers: Prime vs. LIBOR** Joint with: Patricia A. McGraw (Ryerson) and Kamphol Panyagometh (NIDA) 4:15 – 4:30 p.m. Lorenzo Garlappi (U Texas at Austin) **Default Risk, Shareholders' Advantage and Expected Returns** Joint with: Tao Shu (U of Texas at Austin) and Hong Yan (U of Texas at Austin) 4:30 - 4:45 p.m. Marcin Kacperczyk (UBC) **The Price of Sin: The Effects of Social Norms on Markets** Joint with: Harrison Hong (Princeton) 4:45 - 5:00 p.m. Susan Christoffersen (McGill and CIRANO) **The Economics of Mutual-Fund Brokerage:** **Evidence from the Cross Section of Investment Channels** Joint with: Richard Evans (Boston) and David Musto (Pennsylvania) 5:00 - 5:15 p.m. Lu Zhang (Rochester) **Investment-Based Underperformance Following Seasoned**	

Equity Offerings
Joint with: Evgeny Lyandres (Rice) and Le Sun (Rochester)

5:15 - 5:30 p.m.
Alan Kraus (UBC)
Options for Managerial Compensation when Shareholders are Diversified
Joint with: Amir Rubin (SFU)

5:45 – 6:00 p.m.
Daniel Smith (SFU)

Day 2 - Tuesday, August 2, 2005	
Session 1 Chair: Gordon Roberts (York)	
8:30 - 9:20 am Toni Whited (Wisconsin) **Beyond investment-cash flow sensitivities: Using indirect inference to estimate costs of external funds** Joint with: Christopher Hennessy	Discussant: Lisa Kramer (Toronto)
9:20 - 10:10 am Craig Lewis (Vanderbilt) **Shareholder initiated class action lawsuits: Shareholder wealth effects and industry spillovers** Joint with: Amar Gande	Discussant: Susan Christoffersen (McGill)
10:10 - 10:40 am Coffee Break	
Session 2 Chair: Dmitry Livdan (Houston)	
10:40 - 11:30 am Peter Christoffersen (McGill and CIRANO) **Option valuation with long-run and short run volatility components**	Discussant: Gordon Sick (Calgary)

Joint with: Kris Jacobs	
11:30 - 12:20 pm Laurent Calvet (Harvard and HEC) **Multifrequency news and stock returns** Joint with: Adlai Fisher	Discussant: Michael Brandt (Duke