

# EUROPEAN SUMMER SYMPOSIUM IN FINANCIAL MARKETS

**Generously hosted by**  
Study Center Gerzensee

Monday 14-25 July 2014

## **DRAFT PROGRAMME**

### **WEEK 1 (ASSET PRICING)**

#### **MONDAY 14 JULY**

##### **Morning Session:**

<b>08.30 - 09.30</b>	<b>The Price of Political Uncertainty: Theory and Evidence from the Option Market</b> Bryan Kelly (University of Chicago) Luboš Pástor (University of Chicago and CEPR) *Pietro Veronesi (University of Chicago and CEPR)
<i>Discussant:</i>	<i>Andrea Buraschi (Imperial College, London)</i>
<b>09.30 - 10.30</b>	<b>Nominal Rigidities and Asset Pricing</b> *Michael Weber (University of California, Berkeley)
<i>Discussant:</i>	<i>Francisco Palomino (University of Michigan)</i>
<b>10.30 - 11.00</b>	<b>Coffee Break</b>
<b>11.00 - 12.00</b>	<b>Asset Prices and Portfolio Choice with Learning from Experience</b> Paul Ehling (BI Norwegian School of Management) Alessandro Graniero (London Business School) *Christian Heyerdahl-Larsen (London Business School)
<i>Discussant:</i>	<i>Hongjun Yan (Yale University)</i>

#### **TUESDAY 15 JULY**

<b>Focus Session:</b>	<b>Active Asset Management</b>
<i>Organiser:</i>	<i>Luboš Pástor (University of Chicago and CEPR)</i>
<b>08.30 - 08.50</b>	<b>Overview</b>
<b>08.50 - 09.40</b>	<b>Scale and Skill in Active Management</b> *Luboš Pástor (University of Chicago and CEPR) Robert Stambaugh (University of Pennsylvania) Luke Taylor (University of Pennsylvania)

09.40 - 10.30	<b>Learning by Doing: The Value of Experience and the Origins of Skill for Mutual Fund Managers</b> Elisabeth Kempf (Tilburg University) *Alberto Manconi (Tilburg University) Oliver Spalt (Tilburg University)
10.30 - 11.00	<b>Coffee Break</b>
11.00 - 11.50	<b>Investor Sophistication and Capital Income Inequality</b> *Marcin Kacperczyk (Imperial College, London) Jaromir Nosal (Columbia University) Luminita Stevens (University of Maryland)

## **WEDNESDAY 16 JULY**

### **Morning Session:**

08.30 - 09.30	<b>Asset Pricing and Risk-Sharing in a Complete Market: An Experimental Investigation</b> *Bruno Biais (Toulouse School of Economics and CEPR) Thomas Mariotti (Toulouse School of Economics and CEPR) Sophie Moinas (Toulouse School of Economics) Sébastien Pouget (Toulouse School of Economics)
<i>Discussant:</i>	<i>Martin Weber (University of Mannheim and CEPR)</i>
09.30 - 10.30	<b>Smooth Trading with Overconfidence and Market Power</b> Albert S. Kyle (University of Maryland) *Anna Obizhaeva (University of Maryland) Yajun Wang (University of Maryland)
<i>Discussant:</i>	<i>Thierry Foucault (HEC Paris and CEPR)</i>
10.30 - 11.00	<b>Coffee Break</b>
11.00 - 12.00	<b>Network Risk and Key Players: A Structural Analysis of Interbank Liquidity</b> Edward Denbee (Bank of England) Christian Julliard (London School of Economics and CEPR) Ye Li (Columbia University) *Kathy Yuan (London School of Economics and CEPR)
<i>Discussant:</i>	<i>Semyon Malamud (EPFL and Swiss Finance Institute)</i>

## **THURSDAY 17 JULY**

### **Focus Session:**

<i>Organiser:</i>	<b>New Models of Risk</b> <i>Leonid Kogan (MIT)</i>
08.30 - 08.45	<b>Overview</b>
08.45 - 09.40	<b>Risk and Asset Composition</b> *Leonid Kogan (MIT) Erik Loualiche (MIT) Dimitris Papanikolaou (Northwestern University)
09.40 - 10.35	<b>Firm Volatility in Granular Networks</b> *Bryan Kelly (University of Chicago) Hanno Lustig (UCLA) Stijn Van Nieuwerburgh (New York University and CEPR)
10.35 - 11.05	<b>Coffee Break</b>
11.05 - 12.00	<b>Sticky Leverage</b> Joao Gomes (University of Pennsylvania) Urban Jermann (University of Pennsylvania) *Lukas Schmid (Duke University)

## **FRIDAY 18 JULY**

### **Morning Session:**

**08.30 - 09.30**

**BKK the EZ Way**

Riccardo Colacito (The University of North Carolina)

\*Max Croce (The University of North Carolina)

Philip Howard (University of North Carolina)

Steven Wei Ho (Tsinghua University)

*Discussant:*

*Nikolai Roussanov (University of Pennsylvania)*

**09.30 - 10.30**

**The Term Structure of Currency Carry Trade Risk Premia**

Hanno Lustig (UCLA)

Andreas Stathopoulos (University of Southern California)

\*Adrien Verdelhan (MIT)

*Discussant:*

*Bernard Dumas (INSEAD and CEPR)*

**10.30 - 11.00**

Coffee Break

**11.00 - 12.00**

**The Credit Spread Puzzle - Myth or Reality?**

\*Peter Feldhütter (London Business School)

Stephen Schaefer (London Business School)

*Discussant:*

*Stefano Giglio (University of Chicago)*

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\* Indicates the presenter.

### **Organisers:**

**Dirk Niepelt** (Study Center Gerzensee and CEPR)

**Anna Pavlova** (London Business School and CEPR)

**Daniel Paravisini** (London School of Economics and CEPR)

# EUROPEAN SUMMER SYMPOSIUM IN FINANCIAL MARKETS

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21-26 July 2014

## PROGRAMME

### WEEK 2 (CORPORATE FINANCE)

#### MONDAY 21 JULY

##### **Morning Session: Consumer Credit**

**08.30 - 09.30**

##### **Household Risk Management**

\*Adriano Rampini (*Duke University and CEPR*)  
S. "Vish" Viswanathan (*Duke University*)

*Discussant: David Martinez-Miera (Universidad Carlos III de Madrid)*

**09.30 - 10.30**

##### **Sticking to Your Plan: Hyperbolic Discounting and Credit Card Debt Paydown**

Theresa Kuchler (*NYU - Stern*)

*Discussant: Andrew Hertzberg (Columbia University)*

**10.30 - 11.00**

##### **Coffee Break**

**11.00 - 12.00**

##### **The Economic Effects of a Borrower Bailout: Evidence from an Emerging Market**

Xavier Gine (*World Bank*)  
\*Martin Kanz (*World Bank*)

*Discussant: Andres Liberman (NYU)*

#### TUESDAY 22 JULY

##### **Focus Session: Finance and Development**

*Organiser: Shawn Cole (Harvard Business School)*

**08.30 - 09.30**

##### **The Impact of Weather Insurance on Agricultural Outcomes: Evidence from a Seven-Year Field Experiment**

Raghavendra Chattopadhyay (*Poverty Action Lab*), \*Shawn Cole (*Harvard Business School*), Laura Litvine (*Centre for Microfinance - IFMR*), Dan Stein (*World Bank*), and Jeremy Tobacman (*University of Pennsylvania*)

09.30 - 10.30	<b>Does Microfinance Foster Business Growth? The Importance of Entrepreneurial Heterogeneity</b> Abhijit Banerjee ( <i>MIT</i> ) *Emily Breza ( <i>Columbia University</i> ) Esther Duflo ( <i>MIT and CEPR</i> )
10.30 - 11.00	<b>Coffee Break</b>
11.00 - 12.00	<b>Age of Decision: Pension Savings Withdrawal and Consumption and Debt Response</b> *Sumit Agarwal ( <i>National University of Singapore</i> ) Wenlan Qian ( <i>National University of Singapore</i> )

## **WEDNESDAY 23 JULY**

### **Morning Session: Innovation and Entrepreneurship**

08.30 - 09.30	<b>Can Unemployment Insurance Spur Entrepreneurial Activity? Evidence from France</b> *Johan Hombert ( <i>HEC Paris</i> ) Antoinette Schoar ( <i>MIT and CEPR</i> ) David Sraer ( <i>Princeton University and CEPR</i> ) David Thesmar ( <i>HEC Paris and CEPR</i> )  <i>Discussant:</i> Enrico Perotti ( <i>Universiteit van Amsterdam, Duisenberg School of Finance and CEPR</i> )
09.30 - 10.30	<b>CEO Contract Horizon and Innovation</b> *Juanita González-Urbe ( <i>London School of Economics</i> ) Moqi Xu ( <i>London School of Economics</i> )  <i>Discussant:</i> Amit Seru ( <i>University of Chicago</i> )
10.30 - 11.00	<b>Coffee Break</b>
11.00 - 12.00	<b>Causal Effects of Patent Lawsuits on M&amp;A Activity</b> Tolga Caskurlu ( <i>University of Illinois, Urbana-Champaign</i> )  <i>Discussant:</i> Cláudia Custódio ( <i>Arizona State University</i> )

## **THURSDAY 24 JULY**

<b>Focus Session:</b>	<b>Focus Session: Aggregate Implications of Micro-level Frictions</b>
<i>Organiser:</i>	Dimitris Papanikolaou ( <i>Northwestern University, Kellogg School of Management</i> )
08.30 - 09.30	<b>Adverse Selection, Slow Moving Capital and Misallocation</b> William Fuchs ( <i>UC Berkeley</i> ) Brett Green ( <i>UC Berkeley</i> ) *Dimitris Papanikolaou ( <i>Northwestern University, Kellogg School of Management</i> )
09.30 - 10.30	<b>Financial Frictions in Production Networks</b> Saki Bigio ( <i>Columbia University</i> ) *Jennifer La'o ( <i>Columbia University</i> )
10.30 - 11.00	<b>Coffee Break</b>
11.00 - 12.00	<b>Liquidity Risk and the Dynamics of Arbitrage Capital</b> *Péter Kondor ( <i>Central European University and CEPR</i> ) Dimitri Vayanos ( <i>LSE and CEPR</i> )

## **FRIDAY 25 JULY**

### **Morning Session:      Distress, Renegotiation and Incentives**

**08.30 - 09.30      Do Empty Creditors Matter? Evidence from Distressed Exchange Offers**  
Andras Danis (Georgia Institute of Technology)

*Discussant:*      *Murray Frank (University of Minnesota)*

**09.30 - 10.30      Debt Renegotiation and Investment Decisions Across Countries**  
Giovanni Favara (*Federal Reserve Board*)  
Erwan Morellec (*EPFL and CEPR*)  
\*Enrique Schroth (*Cass Business School*)  
Philip Valta (*HEC Paris*)

*Discussant:*      *Florian Heider (European Central Bank)*

**10.30 - 11.00      Coffee Break**

**11.00 - 12.00      Does Hedging Reduce the Cost of Delegation?**  
Sapnoti Eswar (*London Business School*)

*Discussant:*      *Dalida Kadyrzhanova (University of Maryland)*

\* Indicates the presenter.

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