The Paul Woolley Centre for the Study of
Capital Market Dysfunctionality

# The Paul Woolley Centre for the Study of Capital Market Dysfunctionality

# Fourth Annual Conference

## 9th & 10th June 2011

*Room R405, 4th Floor, Lionel Robbins Building*
*Portugal Street, London WC2A 2HD*

**Organisers:**

Bruno Biais • Amil Dasgupta • Denis Gromb • Christopher Polk
Dimitri Vayanos • Kathy Yuan

**Registration enquiries:**

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# Programme

**Thursday 9 June**
**Registration opens at 9:30am**

## Session 1: Financial Institutions and Asset Prices- Theory

**10.00** **Asset prices and institutional investors**
**Suleyman Basak** (London Business School and CEPR)
* **Anna Pavlova** (London Business School and CEPR)
Discussant: **Ralph Koijen** (University of Chicago and NBER)

**11.00** **Trade dynamics in the market for Federal funds**
**Gara M. Afonso** (Federal Reserve Bank of New York)
* **Ricardo Lagos** (New York University)
Discussant: **Emiliano Pagnotta** (New York University)

**12.00** **LUNCH**

## Session 2: Financial Institutions and Asset Prices- Empirics

**13.00** **Flight-to-liquidity in the equity markets during periods of financial crisis**
* **Azi Ben-Rephael** (Tel Aviv University)
Discussant: **Francesco Franzoni** (University of Lugano)

**14.00** **Skin in the game versus skimming the game: governance, share restrictions, and insider flows**
* **Gideon Ozik** (EDHEC Business School)
**Ronnie Sadka** (Boston College)
Discussant: **Petri Jylha** (Aalto University)

**15.00** **BREAK**

## Session 3: Bubbles and Limits of Arbitrage

**15.30** **Feedback effects and the limits to arbitrage**
* **Alex Edmans** (University of Pennsylvania and NBER)
**Itay Goldstein** (University of Pennsylvania)
**Wei Jiang** (Columbia University)
Discussant: **Kostas Zachariadis** (London School of Economics)

**16.30** **Quiet bubbles**
**Harrison Hong** (Princeton University and NBER)
* **David Sraer** (Princeton University)
Discussant: **Georgy Chabakauri** (London School of Economics)

**17.30** **CLOSE OF FIRST DAY**

* : Presenter

# Programme

**Friday 10 June**

**Registration opens at 9:30am**

## Session 4: Financial Innovation

10.00 — **Should derivatives be senior?**
* **Patrick Bolton** (Columbia University)
**Martin Oehmke** (Columbia University)
Discussant: **Ulf Axelson** (London School of Economics)

11.00 — **CDS as insurance: leaky lifeboats in stormy seas**
**Eric Stephens** (University of Alberta)
* **James R. Thompson** (University of Waterloo)
Discussant: **Craig Pirrong** (University of Houston)

12.00 — **LUNCH**

## Session 5: Liquidity and Credit

13.00 — **Collateral requirements and asset prices**
**Johannes Brumm** (University of Mannheim)
**Michael Grill** (University of Mannheim)
* **Felix Kubler** (IBF, University of Zurich and Swiss Finance Institute)
**Karl Schmedders** (DBA, University of Zurich and Swiss Finance Institute)
Discussant: **Francisco Gomes** (London Business School and CEPR)

14.00 — **Dealer attention, liquidity spillovers, and endogenous market segmentation**
**Giovanni Cespa** (Cass Business School, CSEF and CEPR)
* **Thierry Foucault** (HEC, School of Management, GREGHEC and CEPR)
Discussant: **Elias Albagli** (University of Southern California)

15.00 — **CONFERENCE CLOSE**

* : Presenter