

The Paul Woolley Centre for the  
Study of Capital Market  
Dysfunctionality

**Third Annual Conference**

**10 -12 June 2010**

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

**Organisers:**

Bruno Biais • Amil Dasgupta • Thierry Foucault • Itay Goldstein • Denis Gromb  
• Christopher Polk • Dimitri Vayanos • Paul Woolley • Kathy Yuan

**Registration Enquiries:**

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## Programme

Thursday 10 June  
Registration opens at 9:00 am

### Focus Session on Real Effects of Financial Markets

9.30 WELCOME ADDRESS

#### Session 1: Financial Markets and the Real Economy: Information and Investments

9.40 **Learning from Stock Prices and Economic Growth**  
\* **Joel Peress**, INSEAD  
Discussant: Thierry Foucault, HEC Paris

10.30 **Information Aggregation and Investment Decisions**  
\* **Elias Albagli**, Harvard University  
**Christian Hellwig**, UCLA  
**Aleh Tsyvinski**, Yale University  
Discussant: Amil Dasgupta, London School of Economics

11.20 BREAK

#### Session 2: Financial Markets and the Real Economy: Instability

11.50 **Trading Frenzies and Their Impact on Real Investment**  
\* **Itay Goldstein**, University of Pennsylvania  
**Emre Ozdenoren**, London Business School  
**Kathy Yuan**, London School of Economics  
Discussant: Johan Hombert, HEC Paris

12.40 **Blockholders versus Short Sellers: A Model of Bear Raids**  
**Naveen Khanna**, Michigan State University  
\* **Rich Mathews**, Duke University  
Discussant: Alexander Guembel, University of Toulouse

13.30 LUNCH

14.30 **Rollover Risk and Credit Risk**  
\* **Zhiguo He**, University of Chicago  
**Wei Xiong**, Princeton University  
Discussant: James Dow, London Business School

**Session 3: Financial Markets and the Real Economy: Empirical Evidence**

- 15.20**      **Takeover Activity and Target Valuations: Feedback Loops in Financial Markets**  
\* **Alex Edmans**, University of Pennsylvania  
**Itay Goldstein**, University of Pennsylvania  
**Wei Jiang**, Columbia University  
Discussant: Gordon Phillips, University of Maryland
- 16.10**      **BREAK**
- 16.40**      **The Impact of Shareholders on Corporate Investments: Evidence from Mutual Fund Holdings**  
\* **Roni Kisin**, University of Chicago  
Discussant: Dong Lou, London School of Economics
- 17.30**      **CLOSE OF FIRST DAY**

\* : Presenter

## Programme

Friday 11 June  
Registration opens at 9:30 am

### Session 4: Delegated Portfolio Management -- Theory

- 10.00**      **The Delegated Lucas-tree**  
**Ron Kaniel**, Duke University  
\* **Peter Kondor**, Central European University  
Discussant: Pietro Veronesi, University of Chicago
- 11.00**      **Rewarding Trading Skills Without Inducing Gambling**  
\* **Igor Makarov**, London Business School  
**Guillaume Plantin**, London Business School  
Discussant: Andrea Prat, London School of Economics
- 12.00**      **LUNCH**

### Session 5: Delegated Portfolio Management – Empirics

- 13.00**      **Organizational Structure and Fund Performance: Pension Funds vs. Mutual Funds**  
\* **Russell Jame**, Goizueta Business School  
Discussant: Ian Tonks, University of Exeter
- 14.00**      **Connected Stocks**  
**Miguel Antón**, London School of Economics  
\* **Christopher Polk**, London School of Economics  
Discussant: Narayan Naik, London Business School
- 15.00**      **BREAK**

### Session 6: Credit Markets and the Macroeconomy

- 15.30**      **Credit Supply and the Price of Housing**  
\* **Giovanni Favara**, HEC Lausanne, Swiss Finance Institute, IMF  
**Jean Imbs**, HEC Lausanne, Swiss Finance Institute, IMF  
Discussant: Jack Favilukis, London School of Economics
- 16.30**      **Managing Credit Booms and Busts**  
**Olivier Jeanne**, John Hopkins University  
\* **Anton Korinek**, University of Maryland  
Discussant: Dimitri Vayanos, London School of Economics
- 17.30**      **CLOSE OF SECOND DAY**

\* : Presenter

## Programme

Saturday 12 June  
Registration opens at 9:30 am

### Session 7: Financial Institutions and Contracts

- 10.00**      **Risk-sharing or risk-taking? Financial innovation, margin requirements and incentives**  
\* **Bruno Biais**, Toulouse School of Economics  
**Florian Heider**, European Central Bank  
**Marie Hoerova**, European Central Bank  
Discussant: Simon Gervais, Duke University
- 11.00**      **Optimal Interventions in Markets with Adverse Selection**  
\* **Thomas Philippon**, NBER and CEPR  
**Vasiliki Skreta**, New York University  
Discussant: Florian Heider, European Central Bank
- 12.00**      **BREAK**
- 12.30**      **The Maturity Rat Race**  
**Markus Brunnermeier**, Princeton University  
\* **Martin Oehmke**, Columbia University  
Discussant: Catherine Casamatta, Toulouse School of Economics
- 13.30**      **CONFERENCE CLOSE**

\* : Presenter