Behavioural Finance Working Group Conference Programme

Monday 13 June – Tuesday 14 June 2016

Venue
School of Business and Management, Queen Mary University of London Mile End Road London, E1 4NS

Keynote Speaker
Hersh Shefrin, Santa Clara University

Special Issue
European Journal of Finance

Best Paper Awards
Best Qualitative Paper Award: Qualitative Research in Financial Markets
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PhD Student Sponsorships
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Organisers
Gulnur Muradoglu, Queen Mary University of London
Kim Kaivanto, University of Lancaster

Monday 13 June

Registration (Ground Floor Foyer) **8.30-9.30**

Session 1 **9.30-11.00**

Session 1A: Investor Behaviour 1 **Room 3.23**		**Chair: Anthony Bellafatto**
Perceived skepticism or perceived management competence: How do investor react to financial jargons? Download PDF **Speaker:** Ozlem Arikan, University of Warwick **Co-author(s):** Ling Harris, University of South Carolina **Discussant:** Anthony Bellofatto	**How does language similarity impact foreign investing in a multilingual country? The case of Belgium** Download PDF **Speaker:** Anthony Bellofatto, Université catholique de Louvain **Discussant:** Caterina Lucarelli	**Financial disclosure, risk perception and investment choice: Evidence from Italian investors' behaviour** Download PDF **Speakers:** ● Caterina Lucarelli, Università Politecnica Marche ● N Linciano, Commissione Nazionale per le Società e la Borsa (CONSOB) **Co-author(s):** ● Monica Gentile, CONSOB ● P Soccorso, CONSOB **Discussant:** Ozlem Arikan

Session 1B: Fund Management **Room 3.26**		**Chair: Richard Fairchild**
Do hedge funds add value? Download PDF **Speaker:** Mario Cerrato, University of Glasgow **Co-author(s):** ● John Crosby, University of Glasgow ● Gurdip Bakshi, University of Maryland **Discussant:** Richard Fairchild	**A theory of hedge fund contracting and performance** Download PDF **Speaker:** Richard Fairchild, University of Bath **Discussant:** Guillaume Schoenenberger	**Daily herding behavior in the fund family** Download PDF **Speaker:** Guillaume Schoenenberger, EM Strasbourg Business School **Co-author(s):** Marie-Hélène Broihanne, EM Strasbourg Business School **Discussant:** Mario Cerrato

Session 1C: Risk Preferences **Room 3.40**		**Chair: Jiayi Balasuria**
Which measures predict risk taking in a multi-stage controlled decision process? Download PDF **Speaker:** Kremena Bachmann, Universität Zürich **Co-author(s):** ● Thorsten Hens, Universität Zürich ● Remo Stössel, Universität Zürich **Discussant:** Thoma Volker	**The ratio bias vs construal level theory revisited in different risk domains** Download PDF **Speaker:** Thoma Volker, University of East London **Discussant:** Stefan Zeisberger	**What is risk? Understanding how investors perceive risk in return distribution** Download PDF **Speaker:** Stefan Zeisberger, Stony Brook University **Co-author(s):** Laura Azoni, Universität Zürich **Discussant:** Kremena Bachmann

Coffee Break (Third Floor Foyer) **11.00-11.30**

Session 2 **11.30-13.00**

Session 2A: Financial Advice **Chair: Jo Silvester**
Room 3.23

In the eye of the advisor? Attributional bias and gender differences in investment judgements for wealthy clients Download PDF **Speakers:** Ylva Baeckstrom, City University London ● Jo Silvester, City University London **Co-author(s):** Rachel Pownall, Maastricht University and Tilburg University **Discussant:** Zhuoqiong Chen	**Persistent bias in advice-giving** Download PDF **Speaker:** Zhuoqiong Chen, London School of Economics **Co-author(s):** Tobias Gesche, Universität Zürich **Discussant:** John A Turner	**Analyzing the quality of financial advice: Do conflicted advisers tell half-truths?** Download PDF **Speaker:** John A Turner, Pension Policy Center **Co-author(s):** Sally Shen, Capital University of Economics and Business **Discussant:** Ylva Baeckstrom

Session 2B: Financial Advice **Chair: Darren Duxbury**
Room 3.26

Stock returns and investor sentiment: An empirical study of the French stock market Download PDF **Speaker:** Halima Baghdad, University of Paris 1 Panthéon Sorbonne **Discussant:** Abul Shamsuddin	**Investor sentiment and price-earnings multiple in G7 stock markets** Download PDF **Speaker:** Abul Shamsuddin, The University of Newcastle, Australia **Co-author(s):** Md Lutfur Rahman, The University of Newcastle, Australia **Discussant:** Wenzhao Wang	**Investor sentiment and stock returns: Evidence from global studies** Download PDF **Speaker:** Wenzhao Wang, Newcastle University **Co-author(s):** ● Darren Duxbury, Newcastle University ● Chen Su, Newcastle University **Discussant:** Halima Baghdad

Session 2C: Stylised Facts **Chair: Ranko Jelic**
Room 3.40

Time varying illiquidity of European corporate bonds Download PDF **Speaker:** Ranko Jelic, University of Sussex **Co-author(s):** Wolfgang Aussenegg, Technische Universität Wien ● XiaoHua Chen, Bank of England ● Dietmar Maringer, Universität Basel **Discussant:** Qingwei Wang	**It's Monday, again!** Download PDF **Speaker:** Qingwei Wang, Cardiff University **Co-author(s):** ● Iftekhar Hasan, Fordham University ● Ru Xie, Bangor University **Discussant:** Vasileios Kallinterakis	**Intraday herding on a cross-border exchange** Download PDF **Speaker:** Vasileios Kallinterakis, University of Liverpool **Co-author(s):** ● Panagiotis Andrikopoulos, Coventry University ● Mário Pedro Leite de Almeida Ferreira, Universidade Católica Portuguesa ● Thanos Verousis, University of Bath **Discussant:** Ranko Jelic

Lunch (Ground Floor Foyer) **13.00-14.00**

Session 3 **14.00-15.30**

Session 3A: Contagion and Volatility **Chair: Darren Duxbury**
Room 3.23

On perceptions of financial volatility in price sequences

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Speaker: Darren Duxbury, Newcastle University
Co-author(s): Barbara Summers, University of Leeds
Discussant: Deeya Sewraj

Real economy contagion

Download PDF

Speaker: Deeya Sewraj, Newcastle University
Discussant: Darren Duxbury

Session 3B: Household Behaviour **Chair: Katya Kartashova**
Room 3.26

Life-cycle and behavioural traits in household debt possession patterns - lessons from latent transition models

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Speaker: Piotr Białowolski, Università degli Studi di Torino
Discussant: Florian Wendelspiess Chávez Juárez

The credit behavior of households - a behavioral approach

Download PDF

Speaker: Florian Wendelspiess Chávez Juárez, Centro de Investigación y Docencia Económicas (CIDE)
Discussant: Katya Kartashova

Household mortgage choice with dual-rate VRMs and short-term FRMs

Download PDF

Speaker: Katya Kartashova, Bank of Canada
Discussant: Piotr Białowolski

Session 3C: Other Markets **Chair: Alasdair Brown**
Room 3.40

Salience and the disposition effect: Evidence from the introduction of 'cash-outs' in betting markets

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Speaker: Alasdair Brown, University of East Anglia
Co-author(s): Fuyu Yang, University of East Anglia
Discussant: Maurizio Fiaschetti

Compulsive gamblers: The frequency and timing of trades by UK DC plan participants

Download PDF

Speaker: Maurizio Fiaschetti, SOAS
Co-author(s): ● Gordon Clark, University of Oxford ●Peter Tufano, University of Oxford ●Michael Viehs, University of Oxford
Discussant: Giacomo Nocera

Experience and brokerage in asset markets: Evidence from art auctions

Download PDF

Speaker: Giacomo Nocera, Audencia Business School
Co-author(s): ● Brunella Bruno, Università Bocconi ● Emilia Garcia-Appendini, University of St Gallen
Discussant: Alasdair Brown

Coffee Break (Third Floor Foyer) **15.30-16.00**

Session 4 **16.00-17.30**

Session 4A: Corporate Behavioural Finance **Chair: Bonnie Buchanan**
Room 3.23

Uncertainty and firm dividend policy: A natural experiment

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Speaker: Bonnie Buchanan, Seattle University
Co-author(s): ● Xuying (Cathy) Cao, Seattle University ● Eva Liljeblom, Hanken School of Economics ● Susan Weihrich, Seattle University
Discussant: Danial Hemmings

Reconciling market timing and corporate lifecycle explanations of seasoned equity issues: Is mispricing really random?

Download PDF

Speaker: Danial Hemmings, Bangor University
Co-author(s): ● Lynn Hodgkinson, Bangor University ● Qingwei Wang, Cardiff University
Discussant: Lynn Hodgkinson

Good news, bad news and simultaneous disclosure

Download PDF

Speakers: ● Lynn Hodgkinson, Bangor University ● Dan Zhu, Bangor University
Co-author(s): Qingwei Wang, Cardiff University
Discussant: Bonnie Buchanan

Session 4B: Financial Literacy and Unemployment **Chair: Sebastian Schneider**
Room 3.26

Financial literacy and bank runs: An experimental analysis

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Speaker: Vittorio Larocca, ESSEC Business School
Co-author(s): ● Eloisa Campioni, Università degli Studi di Roma Tor Vergata ● Loredana Mirra, Università degli Studi di Roma Tor Vergata ● Luca Panaccione, Università degli Studi di Roma Tor Vergata
Discussant: Antonia Grohmann

Decomposing the gender gap in financial literacy: Evidence from Rwanda

Download PDF

Speaker: Antonia Grohmann, DIW Berlin
Co-author(s): Annekathrin Schoofs, RWI Essen
Discussant: Sebastian Schneider

Unemployment, precautionary savings, and loss aversion: An empirical test

Download PDF

Speaker: Sebastian Schneider, Universität Göttingen
Co-author(s): ● Sonia Triviño, Universität Göttingen ● Marcela Ibañez, Universität Göttingen
Discussant: Vittorio Larocca

Session 4C: Momentum and Anchoring Room 3.40		Chair: Mustafa Disli
Price anchoring in the US stock market [Download PDF] **Speaker:** Mustafa Disli, Universiteit Ghent **Co-author(s):** ● Koen Inghelbrecht, Universiteit Ghent ● Koen Schoors, Universiteit Ghent ● Hannes Stieperaere, Universiteit Ghent **Discussant:** Tim Herberger	**Are momentum strategies feasible in intraday-trading? Empirical results from the German stock market** [Download PDF] **Speaker:** Tim Herberger, Universität Bamberg **Co-author(s):** ● Matthias Horn, Universität Bamberg ● Andreas Oehler, Universität Bamberg **Discussant:** Yuqian Zhao	**An exploration of momentum-sorted cross section return in Chinese stock market** [Download PDF] **Speaker:** Yuqian Zhao, University of Birmingham **Co-author(s):** ● Ruanmin Cao, CITIC Securities Co., Ltd ● Zhenya Liu, Renmin University of China **Discussant:** Mustafa Disli

Keynote Speech (David Seizer Lecture Theatre) **17.30-18.30**
Hersh Shefrin, Santa Clara University

Dinner (Mucci's Restaurant) **18.30-20.30**

Tuesday 14 June

Registration (Ground Floor Foyer) **8.30-9.30**

Session 5 **9.30-11.00**

Session 5A: Portfolio Selection **Room 3.23**	**Chair: Warren Bailey**
Piety, politics and portfolio selection Download PDF **Speaker:** Warren Bailey, Cornell University **Co-author(s):** ● Orhan Erdem, Istanbul Bilgi Üniversitesi ● Cagri Onuk, Cornell University ● Yildiray Yildirim, Baruch College **Discussant:** Konstantinos Georgalos	**Updating beliefs under ambiguity in a portfolio choice experiment** Download PDF **Speaker:** Konstantinos Georgalos, Lancaster University **Discussant:** Warren Bailey

Session 5B: Experimental Finance **Room 3.26**		**Chair: Florian Wedlich**
Different insurance schemes as incentives for technology adoption: Experimental evidence from maize farmers in Mexico Download PDF **Speaker:** Hanna Freudenreich, Universität Göttingen **Co-author(s):** Oliver Mußhoff, Universität Göttingen **Discussant:** Andreas Oehler	**Investors' personality influences investment decisions: Experimental evidence on extraversion and neuroticism** Download PDF **Speakers:** ● Andreas Oehler, Universität Bamberg ● Florian Wedlich, Universität Bamberg **Co-author(s):** ● Stefan Wendt, Reykjavik University ● Matthias Horn, Universität Bamberg **Discussant:** Konstantina Mari	**Optimal timing of exercising a financial option contract under an experimental framework** Download PDF **Speaker:** Konstantina Mari, University of York **Co-author(s):** John Hey, University of York **Discussant:** Hanna Freudenreich

Session 5C: Experimental Finance **Room 3.40**		**Chair: Chris Godfrey**
The negative credit risk-return puzzle: A behavioural story Download PDF **Speaker:** Chris Godfrey, University of Reading **Co-author(s):** Chris Brooks, University of Reading **Discussant:** Daniel Grosshans	**All's well that ends well? On the importance of how returns are achieved** Download PDF **Speaker:** Daniel Grosshans, Universität of Zürich **Co-author(s):** Stefan Zeisberger, Stony Book University **Discussant:** Maurizio Montone	**Fluency and stock returns** Download PDF **Speaker:** Maurizio Montone, Erasmus Universiteit Rotterdam **Co-author(s):** ● Martijn van den Assem, Vrije Universiteit Amsterdam ● Remco Zwinkels, Erasmus Universiteit Rotterdam **Discussant:** Chris Godfrey

Coffee Break (Third Floor Foyer) **11.00-11.30**

Session 6 **11.30-13.00**

Session 6A: Investor Behaviour 2 Room 3.23		Chair: Daphne Sobolev
Investors have feelings too Download PDF **Speaker:** Maximilian Hoyer, Universiteit van Amsterdam **Co-author(s):** Frans van Winden, Universiteit van Amsterdam **Discussant:** André Schmelzer	**Beyond information: Disclosure, distracted attention, and investor behaviour** Download PDF **Speaker:** André Schmelzer, Max Planck Institute for Research on Collective Goods **Co-author(s):** Adrian Hillenbrand, Universität Bonn **Discussant:** Daphne Sobolev	**Ethics of high frequency trading: Insider information** Download PDF **Speaker:** Daphne Sobolev, UCL **Discussant:** Maximilian Hoyer

Session 6B: Mergers and Acquisitions Room 3.26		Chair: Evangelos Vagenas
The impact of corporate cultural distance on mergers and acquisitions Download PDF **Speaker:** Zhenyi Huang, University of Reading **Co-author(s):** ● George Alexandridis, University of Reading ● Andreas G. F. Hoepner, University of Reading ● Ioannis Oikonomou, University of Reading **Discussant:** Evangelos Vagenas-Nanos	**Financial advisor centrality on mergers and acquisitions** Download PDF **Speaker:** Evangelos Vagenas-Nanos, University of Glasgow **Co-author(s):** ● Amna Noor Chaudhry, University of Glasgow ● Alexandros Kontonikas, University of Glasgow **Discussant:** Betty Wu	**Media deterrence and illegal insider trading prior to merger announcements** Download PDF **Speaker:** Betty Wu, University of Glasgow **Co-author(s):** ● Jo Danbolt, University of Edinburgh ● Antonios Siganos, University of Glasgow ● Mark Aleksanyan, University of Glasgow **Discussant:** Zhenyi Huang

Session 6C: Stylised Facts Room 3.40		Chair: Richard Taffler
How risk simulations improve long-term investment decisions Download PDF **Speaker:** Meike Bradbury, University of Zurich **Co-author(s):** ● Thorsten Hens, Norwegian School of Economics ● Stefan Zeisberger, Stony Brook University **Discussant:** Liang Jin	**Fund manager active share, overconfidence and investment performance** Download PDF **Speaker:** Liang Jin, University of Warwick **Co-author(s):** ● Arman Eshraghi, University of Edinburgh ● Richard Taffler, University of Warwick ● Amit Goyal, Université de Lausanne **Discussant:** Kim Kaivanto	**Asset pricing with habit-forming, heterogeneous-beliefs agents** Download PDF **Speaker:** Kim Kaivanto, Lancaster University **Co-author(s):** Peng Zhang, Lancaster University **Discussant:** Meike Bradbury

Lunch (Ground Floor Foyer) **13.00-14.00**

Session 7 (David Seizer Lecture Theatre) **14.00-15.30**
Practitioner's Session

Practitioner's Talk **14.00-14.30**

Peter Andres, FCA Chief Economist

Panel **14.30-15.30**

Applications of behavioural finance in developing solutions and technology to help people make better financial decisions

Speakers:
Pete Brooks, Barclays
Pete Trainor, Nexus
Paul Adams, FCA

Chair: Gregg Davies

Session 8 **16.00-17.30**

Session 8A: Expert Behaviour
Room 3.23
Chair: Richard Taffler

Fund manager skill: Does selling matter more than buying?	Does personality drive price bubbles?	Behavioral biases in number processing: The case of analysts' target prices
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Speaker: Richard Taffler, University of Warwick **Co-author(s):** Liang Jin, University of Warwick **Discussant:** Andreas Oehler	**Speakers:** ● Andreas Oehler, Universität Bamberg ● Florian Wedlich, Universität Bamberg **Co-author(s):** ● Stefan Wendt, Reykjavik University ● Matthias Horn, Universität Bamberg **Discussant:** Tristan Roger	**Speaker:** Tristan Roger, Université Paris-Dauphine **Co-author(s):** ● Patrick Roger, EM Strasbourg Business School ● Alain Schatt, Université de Lausanne **Discussant:** Richard Taffler

Session 8B: Banks Analysts and Entrepreneurs
Room 3.26
Chair: Fred van Raaij

Banking system trust, bank trust and bank loyalty	Analyst recommendation and implied CDS returns	Entrepreneurial overconfidence and illusion of control: The effect on companies' under-insurance
Download PDF	Download PDF	Download PDF
Speaker: Fred van Raaij, Tilburg University **Co-author(s):** Pauline van Esterik-Plasmeijer, independent researcher **Discussant:** Ghulam Sorwar	**Speaker:** Ghulam Sorwar, University of Salfod **Co-author(s):** ● John Pereira, Kingston University ● Mohamed Nurullah, Kingston University **Discussant:** Enrico Cervellati	**Speaker:** Enrico Cervellati, Università di Bologna **Co-author(s):** ● Francesco Corea, Università di Bologna ● Paolo Zanghieri, Università di Bologna **Discussant:** Fred van Raaij

Dinner (Mucci's Restaurant) **18.00-20.00**