



Queen Mary
University of London

Business & Management

Behavioural Finance Working Group Conference Programme

Can Behavioural
Finance inform Volatility
Modeling/Forecasting?



UNIVERSITY OF
STIRLING



Qualitative Research
in Financial Markets



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Behavioural Finance Working Group Conference

Date

Thursday 6 - Friday 7 June 2019

Venue

The Graduate Centre

Queen Mary University of London, Mile End Road, London E1 4NS

Keynote Speaker

Richard Sias (University of Arizona)

Practitioner Keynote

Emily Haisley (BlackRock)

Editors Panel

Gulnur Muradoglu, Queen Mary University of London

Robert Hudson, University of Hull

Special Issue

Review of Behavioural Finance

Best Paper Awards

Best Quantitative Paper Award: **Review of Behavioural Finance**

Best Qualitative Paper award: **Qualitative Research in Financial Markets**

PhD Student Funding ICAEW's: **Charitable Trusts**

Organisers

Gulnur Muradoglu, Queen Mary University of London

Vasileios Kallinterakis, University of Liverpool, UK

Dimos Kambouroudis, University of Stirling, UK

Conference Programme At A Glance

Thursday 6 June

08:00-08:45 Registration and Light Breakfast
(Graduate Centre Ground
Floor Foyer)

08:45- 09:00 Welcome Address
(Peston Lecture Theatre,
Ground Floor Graduate Centre)

09:00-10:30 Sessions 1A (GC114) and
1B (GC104)

10:30-11:00 Coffee Break (Graduate Centre
Ground Floor Foyer)

11:00 -12:30 Sessions 2A (GC104), 2B (GC114)
and 2C (GC103)

12:30-13:30 Lunch (Graduate Centre
Ground Floor Foyer)

13:30-15:00 Sessions 3A (GC114) and
3B (GC103)

15:00-15:30 Coffee Break (Graduate Centre
Ground Floor Foyer)

15:30-17:00 Sessions 4A (GC104), 4B (GC114)
and 4C (GC103)

17:00- 17:15 Light Refreshments (Graduate
Centre Ground Floor Foyer)

17:15-18:15 Keynote Speech
(Peston Lecture Theatre,
Ground Floor Graduate Centre)

18:15 Dinner (Mucci's Restaurant,
Mile End Campus)

Thursday 7 June

08:15- 09:15 Registration and Light Breakfast
(Graduate Centre Ground
Floor Foyer)

09:15- 09:30 Best Paper Awards
(Peston Lecture Theatre,
Ground Floor Graduate Centre)

09:30-10:30 Practitioner Keynote
(Peston Lecture Theatre,
Ground Floor Graduate Centre)

10:30-11:00 Coffee Break (Graduate Centre
Ground Floor Foyer)

11:00- 12:30 Sessions 5A (GC114), 5B (GC103)
5C (GC104) and 5D
(Peston Lecture Theatre)

12:30-13:30 Lunch (Graduate Centre Ground
Floor Foyer)

13:30-15:00 Sessions 6A (GC114), 6B (GC103),
6C (GC104) and 6D
(Peston Lecture Theatre)

15:00- 15:30 Coffee Break (Graduate Centre
Ground Floor Foyer)

15:30-17:00 Sessions 7A (GC104), 7B (GC114)
and 7C (GC103)

17:00-17:30 Editorial Board Meeting
by Invitation only

17:00 Drinks Reception and Dinner (Mucci's
Restaurant, Mile End Campus)

Conference Programme

08:00-08:45 Registration and Light Breakfast
(Graduate Centre Ground
Floor Foyer)

08:45- 09:00 Welcome Address
(Peston Lecture Theatre,
Ground Floor Graduate Centre)

Day 1

09:00-10:30

Session 1A: Herding and Feedback Trading

Chair: Vasileios Kallinterakis, University of Liverpool

Room GC114

| Feedback Trading and the Ramadan Effect | Do closed-end fund investors herd? | The Effect of FSAP directives on Stock Market Herding |
|--|--|--|
| Speaker: Panagiotis Andrikopoulos, Coventry University Co-author(s): Samar Gad, De Montfort University, Yueting Cui and Vasileios Kallinterakis, University of Liverpool Discussant: Samah El Hajjar, Newcastle University Download PDF | Speaker: Vasileios Kallinterakis, University of Liverpool Co-author(s): Yueting Cui, University of Liverpool and Bartosz Gebka, Newcastle University Discussant: Panagiotis Andrikopoulos, Coventry University Download PDF | Speaker: Samah El Hajjar, Newcastle University Discussant: Vasileios Kallinterakis, University of Liverpool Download PDF |

Session 1B: Behavioural Decision Making

Chair: Chair Marc Arnold, University of St. Gallen

Room GC104

| Non-consequential reasoning and state-dependence in investment choice: new experimental evidence from a 'portfolio game'. | Revealed Heuristics: Evidence from Investment Consultants' Search Behavior | Paying Attention |
|--|--|--|
| Speaker: Polina Khrennikova, University of Leicester Co-author(s): Emmanuel Haven, Memorial University Discussant: Soohun Kim, Georgia Institute of Technology Download PDF | Speaker: Soohun Kim, Georgia Institute of Technology Co-author(s): Sudheer Chava and Daniel Weagley, Georgia Institute of Technology Discussant: Marc Arnold, University of St. Gallen Download PDF | Speaker: Marc Arnold, University of St. Gallen Co-authors: Matthias Pelster, Paderborn University and Marti G. Subrahmanyam, New York University Discussant: Polina Khrennikova, University of Leicester Download PDF |

10:30-11:00 Coffee Break

(Graduate Centre Ground Floor Foyer)

11:00- 12:30

Session 2A: Behavioral Corporate Finance

Chair: Mark Aleksanyan, Glasgow University

Room GC104

| Mergers and Acquisitions in Sin industries- The value increasing deals for sin acquirer's shareholders | Fear and media coverage: The case of insider trading in takeover targets | Shareholder Reaction to Corporate Water Actions and the Reputational Effects of CSR |
|--|--|--|
| <p>Speaker: Quyen Van, Newcastle University</p> <p>Co-authors: Darren Duxbury, Yang Zhao, Newcastle University and Dimitrios Gounopoulos, University of Bath</p> <p>Discussant: Rafia Afrin, Queen Mary University of London</p> <p>Download PDF</p> | <p>Speaker: Mark Aleksanyan, Glasgow University</p> <p>Co-authors: Jo Danbolt, University of Edinburgh, Antonios Siganos and Betty Wu, Glasgow University</p> <p>Discussant: Quyen Van, Newcastle University</p> <p>Download PDF</p> | <p>Speaker: Rafia Afrin, Queen Mary University of London</p> <p>Co-author(s): Ni Peng, Queen Mary University of London and Frances Bowen, University of East Anglia</p> <p>Discussant: Mark Aleksanyan, Glasgow University</p> <p>Download PDF</p> |

Session 2B: Fund Management

Chair: José Luis Sarto, University of Zaragoza

Room GC114

| When investors call for climate responsibility, how do mutual funds respond? | Peer Effects in Investment Manager Selection: Evidence from University Endowments | Stock-specific determinants of the disposition effect in fund managers |
|--|---|---|
| <p>Speaker: Marco Ceccarelli, University of Zurich</p> <p>Co-authors: Stefano Ramelli and Alexander F. Wagner, University of Zurich</p> <p>Discussant: José Luis Sarto, University of Zaragoza</p> <p>Download PDF</p> | <p>Speaker: Charikleia Kaffe, University of Cambridge</p> <p>Discussant: Marco Ceccarelli, University of Zurich</p> <p>Download PDF</p> | <p>Speaker: José Luis Sarto, University of Zaragoza</p> <p>Co-author(s): Laura Andreu and Cristina Ortiz, University of Zaragoza</p> <p>Discussant: Charikleia Kaffe, University of Cambridge</p> <p>Download PDF</p> |

Session 2C: Behavioural Corporate Finance

Chair: Vikram Nanda, University of Texas at Dallas

Room GC 103

| What Do Employees Know? Employee Opinions in Firms Going Public | Ultimate Control and Firm Performance: An Empirical Analysis of Listed Firms in China |
|--|---|
| <p>Speaker: Vikram Nanda, University of Texas at Dallas</p> <p>Co-author(s): Reza Farhadi, Georgia Institute of Technology</p> <p>Discussant: Jiaxin Wang, Queen Mary University of London</p> <p>Download PDF</p> | <p>Speaker: Jiaxin Wang, Queen Mary University of London</p> <p>Co-author(s): Gulnur Muradoglu and Deven Bathia, Queen Mary University of London</p> <p>Discussant: Vikram Nanda, University of Texas at Dallas</p> <p>Download PDF</p> |

12:30-13:30 Lunch

(Graduate Centre Ground Floor Foyer)

13:30-15:00

Session 3A: Forecasting Behaviour

Chair: Matthias Horn, Bamberg University

Room GC114

| From Gut Feelings to Considered Forecasts: The Effects of Incentivizing and Unpacking the Forecasting Question | Forecasting practices and portfolio company performance in Private Equity (PE) – a practical rationality perspective | Illumination or Illusion? Placebic Information and Stock Price Forecasts |
|--|---|---|
| <p>Speaker: David Comerford, University of Stirling</p> <p>Discussant: Matthias Horn, Bamberg University</p> <p>Download PDF</p> | <p>Speaker: David Cooper, Cooper Limon</p> <p>Discussant: David Comerford, University of Stirling</p> <p>Download PDF</p> | <p>Speaker: Matthias Horn, Bamberg University</p> <p>Co-author(s): Matthias Horn, Bamberg University and Stefan Wendt, Reykjavik University</p> <p>Discussant: David Cooper, Cooper Limon</p> <p>Download PDF</p> |

Session 3B: Behavioural Anomalies

Chair: Xin Liu, University of Bath

Room GC103

| Value Bubbles | Investor Target Prices |
|---|---|
| <p>Speaker: Messaoud Chibane, Neoma Business School</p> <p>Co-author(s): Samuel Ouzan, Neoma Business School</p> <p>Discussant: Xin Liu, University of Bath</p> <p>Download PDF</p> | <p>Speaker: Xin Liu, University of Bath</p> <p>Co-author(s): Shiyang Huang, The University of Hong Kong and Chengxi Yin, China International Capital Corporation Limited</p> <p>Discussant: Messaoud Chibane, Neoma Business School</p> <p>Download PDF</p> |

15:00-15:30 Coffee Break

(Graduate Centre Ground Floor Foyer)

15:30-17:00

Session 4A: Volatility

Chair: Dimos Kambouroudis, University of Stirling

Room GC104

| A Comparative GARCH Analysis of Macroeconomic Variables and Returns on modelling the kurtosis of FTSE 100 Implied Volatility Index | How volatility can arise from sudden change in conviction narratives | Institutional investor sentiment and the mean-variance relation: Some global evidence |
|---|---|---|
| <p>Speaker: Abdulilah Alsheikhmubarak, Royal Holloway, University of London</p> <p>Co-author(s) Evangelos Giouvriss, Royal Holloway, University of London</p> <p>Discussant: Wenzhao Wang, Newcastle University</p> <p>Download PDF</p> | <p>Speaker: Leigh Caldwell, Irrational Agency</p> <p>Co-author(s): Pankti Shah and Simon West, Irrational Agency</p> <p>Discussant: Abdulilah Alsheikhmubarak, Royal Holloway, University of London</p> <p>Download PDF</p> | <p>Speaker: Wenzhao Wang, Newcastle University</p> <p>Co-author(s): Darren Duxbury, Newcastle University</p> <p>Discussant: Leigh Caldwell, Irrational Agency</p> <p>Download PDF</p> |

Session 4B: Financial Behaviour

Chair: Richard Fairchild, University of Bath

Room GC114

| Disposition Effect – Behavioural Evidence from Consecutive Trades within a Dynamic Panel Quantile Regression with Attrition | Fraud-perception, superegos, and cultural spread of unethical behavior: theory and evidence from Enron | How Well Do Traders Condition on the Uniqueness of Their Signals? |
|--|--|--|
| <p>Speaker: Simon Hayley, City University of London</p> <p>Co-authors: Malvina Marchese, Ian Marsh and Richard Payne, City University of London</p> <p>Discussant: Nicholas Hirschey, London Business School</p> <p>Download PDF</p> | <p>Speaker: Richard Fairchild, University of Bath</p> <p>Co-author(s): Oliver Marnet, University of Southampton</p> <p>Discussant: Simon Hayley, City University of London</p> <p>Download PDF</p> | <p>Speaker: Nicholas Hirschey, London Business School</p> <p>Co-authors: Chishen Wei, Singapore Management University</p> <p>Discussant: Richard Fairchild, University of Bath</p> <p>Download PDF</p> |

Session 4C: Behavioural Biases

Chair: Christopher Riley, University of Leicester

Room GC103

| Behavioural Finance Biases in the Decisions of Pension Fund Trustees | How Reference Points Determine the Prospect Theory Value of a Stock | The Causal Influence of Investment Goals on the Disposition Effect |
|--|--|---|
| <p>Speaker: Leonardo Weiss-Cohen, City University of London</p> <p>Co-authors: Peter Ayton, City University of London, Iain Clacher, Leeds University Business School and Volker Thoma, University of East London</p> <p>Discussant: Sebastian Seidens, WHU - Otto Beisheim School of Management</p> <p>Download PDF</p> | <p>Speaker: Christopher Riley, University of Leicester</p> <p>Co-authors: Darren Duxbury, Newcastle University and Barbara Summers, University of Leeds</p> <p>Discussant: Leonardo Weiss-Cohen, City University of London</p> <p>Download PDF</p> | <p>Speaker: Sebastian Seidens, WHU - Otto Beisheim School of Management</p> <p>Co-authors: Marc Wierzbitzki, WHU - Otto Beisheim School of Management</p> <p>Discussant: Christopher Riley, University of Leicester</p> <p>Download PDF</p> |

17:00- 17:15 Light Refreshments

(Graduate Centre Ground Floor Foyer)

17:15-18:15 Keynote Speech

(Peston Lecture Theatre, Ground Floor Graduate Centre)

18:15 Dinner

(Mucci's Restaurant, Mile End Campus)

Day 2

08:15- 09:15 Registration and Light Breakfast

(Graduate Centre Ground Floor Foyer)

09:15- 09:30 Best Paper Awards

(Peston Lecture Theatre, Ground Floor Graduate Centre)

09:30-10:30 Practitioner Keynote

(Peston Lecture Theatre, Ground Floor Graduate Centre)

10:30-11:00 Coffee Break

(Graduate Centre Ground Floor Foyer)

11:00-12:30

Session 5A: Behavioral Corporate Finance

Chair: John Holland, University of Glasgow

Room GC114

| How Leverage Plays its role in R&D related Firm Performance and Stock Returns? | Financial firms and Behaviour in Finance | Managerial Opportunism: The Interface of Manager Optimism and Investor Sentiment |
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| Speaker: Shafaq Malik, Queen Mary University of London Co-author(s): Gulnur Muradoglu and Deven Bathia, Queen Mary University of London Discussant: John Holland, University of Glasgow Download PDF | Speaker: John Holland, University of Glasgow Discussant: Shima Amini, University of Leeds Download PDF | Speaker: Shima Amini, University of Leeds Co-author(s): Ali Altanlar and Phil Homes, University of Leeds Discussant: Shafaq Malik, Queen Mary University of London Download PDF |

Session 5B: Emotions and Gender

Chair: Ylva Baeckstrom, King's College London

Room GC103

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| <p>The impact of emotions towards investments and towards life on attitude to financial risk Speaker: Ivan Sangiorgi, ICMA Centre</p> | <p>Gender based attitudes: Financial Advisor Responsiveness to Training Intervention</p> | <p>Emotions, Uncertainty, Gender and Residential Real Estate Prices: Evidence from a Bubble Market</p> |
| <p>Co-author(s): Chris Brooks, ICMA Centre, Anastasiya Saraeva, Kevin Money and Carola Hillenbrand, University of Reading</p> <p>Discussant: Paul Ryan, University College Dublin</p> | <p>Speaker: Ylva Baeckstrom, King's College London</p> <p>Co-author(s): Ian W Marsh, City University of London and Frederik Anseel, King's College London</p> <p>Discussant: Ivan Sangiorgi, ICMA Centre</p> | <p>Speaker: Paul Ryan, University College Dublin</p> <p>Co-author(s): Clare Branigan, University College Dublin</p> <p>Discussant: Ylva Baeckstrom, King's College London</p> |
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Session 5C Behavioural Corporate Finance

Chair: Annalisa Ferrando, European Central Bank

Room GC104

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| <p>Investor sentiment, information uncertainty and initial Public Offering mispricing in China Stock Markets</p> | <p>The Invisible Burden: Goodwill and the Cross-Section of Stock Returns</p> | <p>What were they thinking? Firms' expectations on the availability of external finance</p> |
| <p>Speaker: Aloysius Igboekwu, Aberystwyth University</p> <p>Discussant: Annalisa Ferrando, European Central Bank</p> | <p>Speaker: Weinan Zheng, The University of Hong Kong</p> <p>Co-author(s): Xin Liu, University of Bath and Chengxi Yin, China International Capital Corporation Limited</p> <p>Discussant: Aloysius Igboekwu, Aberystwyth University</p> | <p>Speaker: Annalisa Ferrando, European Central Bank</p> <p>Co-author(s): Ioannis Ganoulis and Carsten Preuss, European Central Bank</p> <p>Discussant: Weinan Zheng, The University of Hong Kong</p> |
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Session 5D Biases and Decision Making

Chair: Daphne Sobolev, University College London

Room Peston
Lecture Theatre

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|---|---|---|
| <p>Does credit card repayment behavior depend on the presentation of interest payments? The cuckoo fallacy</p> | <p>Geography, Local Sentiment, and Market Anomalies</p> | <p>Rise of the androids: Individual differences and similarities in HFT codes and strategies</p> |
| <p>Speaker: Florian Gärtner, Justus-Liebig-University</p> <p>Co-author(s): Christina E. Bannier and Darwin Semmler, Justus-Liebig-University</p> <p>Discussant: Daphne Sobolev, University College London</p> | <p>Speaker: Mehrshad Motahari, University of Warwick</p> <p>Discussant: Florian Gärtner, Justus-Liebig-University</p> | <p>Speaker: Daphne Sobolev, University College London</p> <p>Discussant: Mehrshad Motahari, University of Warwick</p> |
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12:30-13:30 Lunch

(Graduate Centre Ground Floor Foyer)

Session 6A: Behavioural Asset Pricing

Chair: Tommy Garling, University of Gothenburg

Room GC114

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| <p>Beta, Value, and Growth</p> | <p>Fast and slow investment in asset markets: How does risk taking change?</p> | <p>Implication of Regret on Mutual Fund Managers' Risk-Shifting Decisions</p> |
| <p>Speaker: Maurizio Montone, University of Luxembourg</p> <p>Discussant: Bouchra Benyelles, Universite Paris Dauphine</p> | <p>Speaker: Tommy Garling, University of Gothenburg</p> <p>Co-authors(s): Dawei Fang and Martin Holmen, University of Gothenburg</p> <p>Discussant: Maurizio Montone, University of Luxembourg</p> | <p>Speaker: Bouchra Benyelles, Universite Paris Dauphine</p> <p>Co-author(s): Y. Eser Arisoy, NEOMA Business School</p> <p>Discussant: Tommy Garling, University of Gothenburg</p> |
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Session 6B: Volatility

Chair: Dimos Kambouroudis, University of Stirling

Room GC103

| Individual Stock Liquidity The Role of Implied Volatility, Market and Industry Liquidity. A Multi-Country Approach | The Role of Individual and Institutional Investors on Return and Volatility: Evidence from an Emerging Market | Volatility Forecasting and Performance comparisons: Socially Responsible versus Conventional and Market indices |
|--|---|--|
| <p>Speaker: Abdulilah Alsheikhmubarak, Royal Holloway University of London</p> <p>Co-author(s): Evangelos Giouvriss, Royal Holloway University of London</p> <p>Discussant: Dimos S Kambouroudis, University of Stirling</p> <p>Download PDF</p> | <p>Speaker: Keith Anderson, University of York</p> <p>Co-author(s): Anup Chowdhury, University of York and Moshfique Uddin, University of Leeds</p> <p>Discussant: Abdulilah Alsheikhmubarak, Royal Holloway University of London</p> <p>Download PDF</p> | <p>Speaker: Dimos S Kambouroudis, University of Stirling</p> <p>Co-author(s) David G McMillan and Isaac Tabner, University of Stirling</p> <p>Discussant: Keith Anderson, University of York</p> <p>Download PDF</p> |

Session 6C: Sentiment

Chair: Nikolaos Karampatsas, University of Surrey

Room GC104

| Investor Sentiment and the Pricing of Macro Risks for Hedge Funds | Credit Rating Changes and Stock Market Reaction: The Impact of Investor Sentiment | The role of risk and emotional engagement in trading behaviour and manifestation of behavioural biases by investors |
|--|---|--|
| <p>Speaker: Xiaoquan Zhu, Tsinghua University</p> <p>Co-author(s): Zhuo Chen, Tsinghua University and Andrea Lu, University of Melbourne</p> <p>Discussant: Alexander Suhobokov, University of Glasgow</p> <p>Download PDF</p> | <p>Speaker: Nikolaos Karampatsas, University of Surrey</p> <p>Co-author(s): Soheila Malekpour and Andrew Mason, University of Surrey</p> <p>Discussant: Xiaoquan Zhu, Tsinghua University</p> <p>Download PDF</p> | <p>Speaker: Alexander Suhobokov, University of Glasgow</p> <p>Discussant: Nikolaos Karampatsas, University of Surrey</p> <p>Download PDF</p> |

Session 6D: Behavioural Corporate Finance

Chair: Sushanta Mallick, Queen Mary University of London

Room Peston
Lecture Theatre

| Do foreign institutional investors improve board monitoring? | Does Easing Controls on Foreign Currency Borrowings Boost Exporting Intensity of Indian Firms? | Growth Opportunity Bias |
|--|---|---|
| <p>Speaker: Biwesh Neupane, University of Greenwich</p> <p>Co-author(s): Suman Neupane, The University of Queensland, Andrew Marshall and Chandra Thapa University of Strathclyde</p> <p>Discussant: Di Luo, University of Southampton</p> <p>Download PDF</p> | <p>Speaker: Sushanta Mallick, Queen Mary University of London</p> <p>Co-author(s): Udichibarna Bose, University of Essex and Serafeim Tsoukas, University of Glasgow</p> <p>Discussant: Biwesh Neupane, University of Greenwich</p> <p>Download PDF</p> | <p>Speaker: Di Luo, University of Southampton</p> <p>Co-author(s): Xindan Li, Nanjing University, Cynthia Gong and Huainan Zhao, Loughborough University</p> <p>Discussant: Sushanta Mallick, Queen Mary University of London</p> <p>Download PDF</p> |

15:00-15:30- Coffee Break

(Graduate Centre Ground Floor Foyer)

15:30-17:00

Session 7A: Behavioural Corporate Finance

Chair: Darren Duxbury, Newcastle University

Room GC104

| CEO's compensation and risk taking in UK firms | CEO reference points and strategic risk taking: Market reaction to M&A announcements | Employee Sentiment and Asset Prices |
|--|---|---|
| <p>Speaker: Rukaiyat Yusuf, Queen Mary University of London</p> <p>Co-author(s): Gulnur Muradoglu and Deven Bathia, Queen Mary University of London</p> <p>Discussant: Efthymia Symitsi, University of Leeds</p> <p>Download PDF</p> | <p>Speaker: Darren Duxbury, Newcastle University</p> <p>Co-author(s): Kostas Bozos and Christoph Maaz, The University of Leeds</p> <p>Discussant: Rukaiyat Yusuf, Queen Mary University of London</p> <p>Download PDF</p> | <p>Speaker: Efthymia Symitsi, University of Leeds</p> <p>Co-author(s): Panagiotis Stamolampros, George Daskalakis and Lazaros Symeonidis, University of East Anglia</p> <p>Discussant: Darren Duxbury, Newcastle University</p> <p>Download PDF</p> |

Session 7B: Behavioural Strategies

Chair: Julian Schneider, Bamberg University

Room GC114

| Quarterly Seasonality and the Relative Performance of Momentum Strategies | Underreaction to Macroeconomic News Announcements and the Downward-Sloping Security Market Line | Gambling with Lottery Stocks? |
|---|---|--|
| <p>Speaker: Daniel Folkinshteyn, Rowan University</p> <p>Co-author(s): Jordan Moore, Rowan University</p> <p>Discussant: Julian Schneider, Bamberg University</p> <p>Download PDF</p> | <p>Speaker: Zilong Niu, Tilburg University</p> <p>Discussant: Daniel Folkinshteyn, Rowan University</p> <p>Download PDF</p> | <p>Speaker: Julian Schneider, Bamberg University</p> <p>Co-author(s): Andreas Oehler, Bamberg University</p> <p>Discussant: Zilong Niu, Tilburg University</p> <p>Download PDF</p> |

Session 7C: Financial Behaviour

Chair: Naveen Gondhi, University of North Carolina

Room GC103

| Choosing to Disagree | Diversification in Lottery-Like Features and Portfolio Pricing Discounts | Currency Anomalies |
|---|---|--|
| <p>Speaker: Naveen Gondhi, University of North Carolina</p> <p>Co-author(s): Jesse Davis, University of North Carolina and Snehal Banerjee, University of California</p> <p>Discussant: Xin Liu, University of Bath</p> <p>Download PDF</p> | <p>Speaker: Xin Liu, University of Bath</p> <p>Discussant: Anthony Garratt, University of Warwick</p> <p>Download PDF</p> | <p>Speaker: Anthony Garratt, University of Warwick</p> <p>Co-author(s): Sohnke Bartram, University of Warwick and Leslie Djuranovik, Bank Indonesia and University of Warwick</p> <p>Discussant: Naveen Gondhi, University of North Carolina</p> <p>Download PDF</p> |

17:00-17:30 Editorial Board Meeting by Invitation only

17:00 Drinks Reception and Dinner

(Mucci's Restaurant, Mile End Campus) Keynote Speech

Keynote Speech

Richard Sias (University of Arizona)

Title:

“The fault in our stars: The DNA of stock investing” based on the paper, “Molecular Genetics, Risk Aversion, Return Perceptions, and Stock Market Participation”

Co-author(s):

Laura T. Starks, University of Texas at Austin and Harry J. Turtle, Colorado State University

Abstract:

Molecular genetic endowments related to cognition, personality, health, and body shape, established at least half a century prior, predict an individual’s risk aversion, beliefs regarding the distribution of expected equity returns, and equity market participation. We estimate that approximately 30% of the relation between equity market participation and both risk aversion and beliefs regarding the distribution of expected equity returns arises from the portion of risk aversion and beliefs associated with these genetic endowments. Molecular genetic endowments are also strongly associated with many of the variables (e.g., trust, sociability, wealth) shown to explain heterogeneity in equity market participation.

Bio:



Dr. Richard Sias is the Tyler Family Chair in Finance and Head of the Department of Finance at the Eller College of Management at the University of Arizona. He holds a PhD in finance from The University of Texas and an undergraduate degree in Finance, Insurance, and Real Estate from California State University, Sacramento. Prior to joining the Eller College, Dr. Sias served as the Gary P. Brinson Chair of Investment Management at Washington State University. He has also taught courses at Bond University in Australia and Cesar Ritz College in Switzerland. Dr. Sias’ research interests primarily focus on investments. He previously served as an Associate Editor at the Review of Financial

Studies and on the Editorial Board of the Financial Analysts Journal. He has published numerous articles in the leading finance journals including the Journal of Financial Economics, Journal of Finance, Review of Financial Studies, Journal of Business, Journal of Financial and Quantitative Analysis, Management Science, Financial Analysts Journal, Journal of Banking and Finance, Journal of Investment Management, Financial Review, Journal of Financial Research, Journal of Business Research, Review of Quantitative Finance and Accounting, Journal of Investing, Journal of Alternative Investments, and Advances in Futures and Options Research. His work has been cited over 7,000 times. Dr. Sias has taught courses in investments, empirical methods, and corporate finance at both the graduate and undergraduate level. He has also garnered a number of teaching and research awards. In addition, Dr. Sias’ work has been the focus of a number of popular press outlets including articles in Forbes, U.S. News and World Report, and the New York Times.

Practitioners Session

Emily Haisle (Director BlackRock)

Title:

Application of behavioural finance in active management

Abstract:

Behavioral finance has been a prolific area of academic research for nearly 40 years and increasingly captivates professional investors. However, there is still a great gulf between academic insights and practical application in asset management. This talk will cover work being done at BlackRock to measure and reduce behavioural biases in active managers. There are three work streams that quantify 1) biases in decisions observed from fund history 2) biases in forecasts based on self-reported ‘trade diary’ entries and 3) biases in group decision making made through qualitative observation. Examples will be given of the analytics and interventions for mitigating the impact of bias on performance.

Bio:



Emily Haisley leads the Behavioural Finance initiative at BlackRock Risk & Quantitative Analysis. The team provides analytics and best practices to enhance the decision making process of investment teams.

Academic researcher turned practitioner, Emily translates research insights into practical applications in organisations and is an expert on the influence of cognitive bias, emotions and personality on financial decisions.

Before joining BlackRock she worked in Digital Innovation at Lloyds Banking Group where she incorporated psychological nudges into UX design. Prior to that Emily spent five years in the Behavioural Finance team at Barclays where she helped private clients, retail investors and portfolio managers mitigate biases to promote better investment decisions.

Emily has published peer reviewed research on topic such as risk comprehension, myopic decision making and encouraging pension savings. Her consulting and research partners have included PNC Bank, Google, McKinsey and the US Department of Health and Human Services.

Emily was a Postdoctoral Associate at the Yale School of Management and holds a Ph.D. from Carnegie Mellon Tepper Business School.

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