
ANNOUNCEMENT
PROGRAM SUMMARY

17th ANNUAL CONFERENCE
WESTERN FINANCE ASSOCIATION

Mariott Hotel

Portland, Oregon

June 16-19, 1982

President: James C. Van Horne

President-elect and Program Chairman: Edward A. Dyl

Thursday, June 17 - 8:30 to 10:20 a.m.

FINANCIAL MARKETS I

"Testing Asset Pricing Models with Changing Expectations and an Unobservable Market Portfolio," Michael R. Gibbons, Stanford University, and Wayne Ferson, University of Pennsylvania.

"Analysis of the Bias in a One-Beta Model with Two-Beta Data," James H. Bjerring, University of British Columbia, and Joseph Lakonishok, University of North Carolina.

"Security Market Line Sensitivity to Alternative Specifications of the Market Index," Robert Jennings, Indiana University, and Charlene Spoede, Baylor University.

CAPITAL STRUCTURE I

"Capital Structure Equilibrium under Incomplete Market Conditions," Lemma W. Senbet, University of Wisconsin-Madison, and Robert A. Taggart, Northwestern University.

"A Theory of Capital Structure Relevance under Imperfect Information," Robert Heinkel, University of British Columbia.

"Risky Debt, Costly Contracting, and Optimal Investment Policy," Kose John and Avner Kalay, New York University.

FUTURES

"*Ex Ante* Evidence of Backwardation/Contango in Commodity Futures Prices: Expectations Implied in Option Prices Assuming the CAPM." Thomas J. O'Brien and Peter M. Schwarz, University of North Carolina.

"The Relationship between Futures and Forward Currency Prices," M. H. Lee, University of British Columbia.

"Spot and Futures Prices and the Law of One Price," Aris Protopapadakis, Federal Reserve Bank of Philadelphia and University of Pennsylvania, and Hans R. Stoll, Vanderbilt University.

BONDS

"Single Factor Duration Models in a General Equilibrium Framework," Gerry Bierwag, University of Arizona; George G. Kaufman, Loyola University-Chicago; and Alden Toevs, University of Oregon.

"An Equilibrium Model of Bond Pricing and a Test of Market Efficiency," Eduardo S. Schwartz, University of British Columbia.

"Predicting Expected Returns and Asset Type: Empirical Results for Corporate Bonds and Common Stocks," Sangkoo Nam, University of Houston, and Randolph Westerfield, University of Pennsylvania.

Thursday, June 17 - 10:30 to 12:20 p.m.

FINANCIAL MARKETS II

"Estimates of Minimum Shifts in Mean Returns to Make the 'Market Portfolio' Mean Variance Efficient," Michael J. Best, University of Waterloo, and Robert R. Grauer, Simon Fraser University.

"Structural Stability of Market Models," Kose John, New York University, and Antal Majthay, University of Florida-Gainesville.

"Housing in the Mean Variance Investment Portfolio," James R. Morris and Jean-Claude Bosch, University of Houston.

CAPITAL STRUCTURE II

"Diversification and Debt Capacity," Robert A. Wood, Pennsylvania State University.

"The Value of the Tax Subsidy on Risky Debt," Eli Talmor, Robert Haugen, and Amir Barnes, University of Wisconsin-Madison.

"Firm-Specific Capital Bankruptcy Cost and Optimal Capital Structure," Kwang Chung, Rutgers University, and Richard L. Smith, II, Arizona State University.

BETA

"An Investigation of the Stationarity of Mutual Fund Beta Coefficients," Gordon J. Alexander, P. George Benson, and Carol E. Eger, University of Minnesota.

"Nonsynchronous Trading and the Behavior of Beta over Short Differencing Intervals," Robert Wood, Pennsylvania State University, and Thomas McInish, University of Delaware.

"Reexamination of Stationarity of Individual Security Betas: A Clarification," Stanley A. Martin, University of Wyoming, and Kenneth O. Cogger, University of Kansas.

MARKET ANOMALIES

"Size Related Anomalies and Stock Return Seasonality: Further Empirical Evidence," Donald B. Keim, Loyola University-Chicago.

"NYSE Listings: A Reexamination of Some Anomalous Evidence Regarding Market Efficiency," John McConnell, Purdue University, and Gary C. Sanger, Ohio State University.

"Bid Premiums and Tender Offer Success: Another Market Anomaly?" Ralph A. Walkling, Georgia Institute of Technology.

Thursday, June 17 - 2:00 to 3:50 p.m.

FINANCIAL MARKETS III

"The Profitability of News of Insider Trading," Leonard Rosenthal, Boston University.

"The Efficiency of the Treasury Bond Future Market," Robert W. Kolb, Emory University; Gerald D. Gay, Georgia State University; and James V. Jordan, Georgia Institute of Technology.

"Tax Reform and Ex-Dividend Day Behavior," Josef Lakonishok, University of North Carolina, and Theo Vermaelen, University of British Columbia.

DIVIDENDS

"An Examination of the Casual Relationship between the Dividend and Investment Decisions," Michael Smirlock and William J. Marshall, Washington University.

"Corporate Behavior in Adjusting to Capital Structure and Dividend Targets: An Econometric Study," Abolhassan Jalilvand, Concordia University, and Robert S. Harris, University of North Carolina.

"Empirical Evidence of Dividends as a Signal of Firm Value," Kenneth M. Eades, University of Michigan.

ARBITRAGE PRICING THEORY

"Further Tests for Size Effects within the Arbitrage Pricing Theory," Marc Reinganum, University of Southern California.

"Indeterminacy When Testing the APT with Observation Factors," Richard J. Sweeney and Arthur Warga, Claremont College.

"A Test of the Arbitrage Pricing Theory," Patricia Hughes, University of British Columbia.

INFLATION

"Redistribution of Wealth through Inflation: A Reexamination of the Fisher-Keynes-Kessel Hypothesis," Gershon N. Mandelker, University of Pittsburgh, and S. Ghon Rhee, University of Pennsylvania.

"Inflation, Discrete Replacement, and the Choice of Asset Lives," Carliss Baldwin and Richard S. Ruback, Massachusetts Institute of Technology.

"Trading Depreciable Assets," Joseph Williams, New York University.

Friday, June 18 - 8:30 to 10:20 a.m.

FINANCIAL MARKETS IV

"A Simplified Jump Process for Common Stock Returns," Clifford A. Ball, Walter N. Torous, and Adrian E. Tschoegl, University of Michigan.

"The Implications of the Discreteness of Observed Stock Prices," Gary Gottlieb and Avner Kalay, New York University.

"An Empirical Test of the Efficiency of the ADR Market," Leonard Rosenthal, Boston University.

FINANCIAL CONTRACTS

"The Equilibrium Term Structure of Lease Rates," Michael Brennan and Alan Kraus, University of British Columbia.

"The Use of Sinking Fund Bonds in Resolving the Agency Cost of Debt," Eric H. Sorensen and Wi-Saeng Kim, University of Arizona.

"The Pricing of Non-Life Insurance: An Economic Examination," George W. Blazenko, University of British Columbia.

HEDGING STRATEGIES

"Hedging Against Commodity Price Inflation: Stocks and Bills as Substitutes for Futures Contracts," Gerald D. Gay, Georgia State University, and Steven Manaster, University of Chicago.

"Optimal Maturity Intermediation, Futures Markets, and Hedging Interest Rate Risk," Carl A. Batlin, The Chase Manhattan Bank, N.A.

"Immunizing Bond Portfolio with Interest Rate Futures," Robert W. Kolb, Emory University, and Gerald D. Gay, Georgia State University.

INTERTEMPORAL MODELS

"Optimal Consumption Rules and Equilibrium Interest Rates in Stochastic Production Economics," Mahadevan Sunaresan, Columbia University.

"Use of Commodity Futures and Their Implications on the Production Decisions--An Intertemporal Investment and Consumption Model," Thomas Ho, New York University.

"Intertemporal Resolution of Uncertainty and Stochastic Dominance Criteria," Dev Gandhi and Kenneth D. Riener, Concordia University.

Friday, June 18 - 10:30 to 12:20 p.m.

COMMERCIAL BANKING I

"Banks, Agency, and Regulation," Uri Dothan and Joseph Williams, New York University.

"Implications of Corporate Capital Structure Theory for Banking Institutions," Yair E. Orgler, Tel-Aviv University, and Robert A. Taggart, Jr., Northwestern University.

"The Cost Interrelationship of Outputs in the Banking Firm," Thomas W. Gilligan and Michael Smirlock, Washington University.

MERGERS/SPIN-OFFS

"Do Bondholders Benefit from a Merger? Some Evidence," John W. Settle, Glenn H. Petry, and Chi Cheng Hsia, Washington State University.

"The Impact of Merger Bids on the Welfare of the Participating Firms' Security-holders," Paul Asquith, Harvard University, and E. Han Kim, University of Michigan.

"An Empirical Analysis of the Effects of Spin-off Announcements on Common Stock Returns and Shareholder Wealth," James A. Miles and James D. Rosenfeld, University of Georgia.

INFORMATION

"Private Information and Security Prices: A Non-Walrasian Rational Expectations Model," Philip Dybvig and Gordon Sick, Yale.

"Return to Information in a 'Market Microstructure' Model of Price Formation," Lawrence R. Glosten, Northwestern University.

"The Impossibility of Efficient Decision Rules for Firms in Competitive Stock Market Economies," Robert Forsythe, University of Iowa, and Gerry L. Suchanek, University of Arizona.

VALUATION I

"Valuation of Multiple Payment Asset Leasing Contracts under Uncertainty," John McConnell, University of Minnesota, and James S. Schallheim, University of Utah.

"Valuation by Approximation: A Comparison of Alternatives," Robert Geske and Kuldeep Shastri, University of California-Los Angeles.

"The Valuation of Assets under Moral Hazard," Ram T. S. Ramakrishnan, Massachusetts Institute of Technology, and Anjan V. Thakor, Indiana University.

Friday, June 18 - 2:20 to 4:20 p.m.

COMMERCIAL BANKING II

"Bank Behavior, the Structure of the Federal Funds Market, and the Effects of Monetary Policy," Thomas Ho and Anthony Saunders, New York University.

"The Fed's Post-October 1979 Technical Operating Procedures: Reduced Ability to Control Money or the Self-Fulfilling Prophecy Once More with Feeling," George G. Kaufman, Loyola University-Chicago.

"Intraindustry Differences in the Effect of Regulation: The Case of Deposit Rate Ceilings," Christopher M. James, University of Oregon.

FIXED INCOME CONTRACTS

"An Examination of Bond Risk, Bond Rating Changes, and Information," Janis K. Zaima, University of Colorado.

"Municipal Issue Interest Cost and Issue Purpose: An Empirical Investigation," Earl D. Benson, Western Washington University.

"Borrower Default on Residential Mortgages," Tim S. Campbell, University of Utah; J. Kimball Dietrich, University of Southern California; and Robert W. Smith, Wasatch Security Research.

OPTIONS I

"Options and the General Mean," Phelim P. Boyle, University of British Columbia, and David Emanuel, University of Texas-Dallas.

"The Effects of Transaction Costs and Different Borrowing and Lending Rates on the Option Pricing Model," John E. Gilster, University of Illinois-Champaign, and William Lee, Bendix Corporation.

"The Effects of Payouts on the Rational Pricing of American Options," Robert Geske and Kuldeep Shastri, University of California-Los Angeles.

VALUATION II

"The Adjustment of Stock Prices to Information about Inflation: A Further Examination," S. Ghon Rhee and J. Rock Chung, University of Pittsburgh.

"Growth, Leverage and Profits: A Partial Analysis of Value," Richard W. Stolz, Arizona State University.

"Insider Holdings and the Pricing of Initial Public Offerings," Jay R. Ritter, University of Pennsylvania.

Saturday, June 19 - 9:00 to 10:50 a.m.

SECURITY RISK

"Security Volatility and Expected Return: Optimal Joint Estimation," Clifford A. Ball and Walter N. Torous, University of Michigan.

"Dispersion of Analysts Forecasts, Market Expectations, and Security Risk," Dan Givoly, Carnegie-Mellon University, and Josef Lakonishok, University of North Carolina.

"The Number of Observations in Risk Measure Estimation, Skewness-Sensitive Risk Measures, and P/E Ratio Anomaly," Kelly Price and Barbara Price, Wayne State University.

CORPORATE CONTROL

"The Market Value of Control in a Publicly-Traded Corporation: A Case Study," Ronald Lease, University of Utah; John McConnell, University of Minnesota; and Wayne H. Mikkelson, Dartmouth College.

"Separation of Ownership from Control and Optimal Capital Structure: Some Important Issues and New Results," Raymond F. Gorman and Anjan V. Thakor, Indiana University.

"Competition in Interfirm Tender Offers: An Analysis of Synergistic Effects and Corporate Control," Michael Bradley, Anand Desai, and E. Han Kim, University of Michigan.

OPTIONS II

"Further Results on the Constant Elasticity of Variance Call Option Pricing Model," David Emanuel and Jim MacBeth, University of Texas-Dallas.

"FNMA Mortgage Purchase Commitment as Put Options: An Empirical Examination," Thomas D. Berry, DePaul University, and Adam K. Gehr, Jr., University of Missouri-Columbia.

"Put-Call Parity Test with Transactions Data," Mihir Bhattacharya, University of Michigan.

PENSION ISSUES

"Erisa Obligations and Bond Ratings: A Parametric and Nonparametric Multiple Discriminant Analysis," Linda J. Martin and Glenn V. Henderson, Jr., Arizona State University.

"The Wealth Redistribution Effects of Erisa," L.F.J. da Motta, M. C. Findlay, and T. C. Langetieg, University of Southern California.

"Pension Fund Management," Samuel S. Stewart, Jr., University of Utah.

ANNOUNCEMENT

WESTERN RISK AND INSURANCE ASSOCIATION

CALL FOR PAPERS

1983 Annual Meeting

January 6 - 9, 1983

Sheraton-Newport Hotel
Newport Beach, California

You are encouraged to submit a proposal for a presentation at the 1983 WRIA meeting. Papers related to all areas of risk and insurance are solicited for review by the program committee. Reports of ongoing research as well as completed research will be considered. Proposals should include: *title, purpose, research methodology, and a timetable for completion of the paper.*

The deadline for submission is October 15, 1982. Submit proposals to WRIA Vice President and Program Chairperson:

Norma Larsen
Department of Finance and Business Economics
School of Business
University of Southern California
Los Angeles, California 90007
Phone (213) 743-2439