Borsa İstanbul Finance & Economics Conference (BIFEC) 2013

“Policy Issues and Challenges in the Global Financial System and Economies”

Final Agenda

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Day 1 – Monday, September 30, 2013

08.00-09.15  Registration and Continental Breakfast

09.15-09.30  Bell Ringing Ceremony for BIFEC 2013

09.30-10.00  Welcoming Remarks
   İbrahim M. TURHAN, Ph.D. (Borsa İstanbul, Chairman & CEO)

10.00-12.00  Opening Panel: Redesigning Capital Markets in Post Global Crisis Era
   Room: Hall 1- Conference Hall
   Chair: İbrahim M. TURHAN, Ph.D. (Borsa İstanbul, Chairman & CEO)
   Panelists:
   Andrey SHEMETOV (Moscow Exchange, Deputy Chairman)
   Ivan TAKEV (Bulgarian Stock Exchange, CEO)
   Michael BUHL (Vienna Stock Exchange, Joint CEO)
   Paweł GRANIEWSKI (Warsaw Stock Exchange, Vice President of the Management Board & CBDO)

12.00–13.00 Lunch

13.00-14.30  Session 1a: Residential and Commercial Real Estate Market
   Room: Hall 1- Conference Hall
   Chair: Yıldıray YILDIRIM
   Presentations:
   • Auction versus Negotiated Sale: Evidence from Real Estate Sales
     (Abdullah YAVAS; University of Wisconsin-Madison)
   • Self-Assessed House Prices
     (Morris A. DAVIS; University of Wisconsin-Madison)
   • Counterparty Risk and Capital Structure
     (Brent W. AMBROSE; Pennsylvania State University)

Session 1b: Investment Allocation and Strategies
   Room: Hall 2- FEAS Meeting Room
   Chair: Koray ŞİMŞEK
   Presentations:
   • Predicting Stock Returns with the Single Index Model
     (Theodore MOORMAN; Baylor University)
   • The Determinants of Bilateral Cross-Border Bond and Equity Flows: A Sectorial Analysis
Session 1c:  **Behavioral Aspects of Investment**
Room: Hall 3-Borsa İstanbul Library
Chair: Ahmet DURAN
Presentations:
- *What Factors Affect Behavioral Biases?: Evidence From Turkish Individual Stock Investors*
  (Bulent TEKCE; Boğaziçi University)
- *Sport Event Sentiment and Turkish Market Return*
  (Ender DEMİR; İstanbul Medeniyet University)
- *Event Study Methodology for Borsa İstanbul*
  (Adil ORAN; METU)
- *Risk Choices of Portfolio Managers in an Emerging Market Economy*
  (Belma ÖZTÜRKKAL; Kadir Has University)

14.30-16.00  **Session 2a: Empirical Asset Pricing Anomalies**
Room: Hall 1-Conference Hall
Chair: Fernando ZAPATERO
Presentations:
- *Playing Favorites: How Firms Prevent the Revelation of Bad News*
  (Dong LOU; London School of Economics and CEPR)
- *In Search of Fundamentals*
  (Zhi DA; University of Notre Dame)
- *A Project-Level Analysis of Value Creation in Firms*
  (Umit GURUN; University of Texas at Dallas)
- *Policy Uncertainty and Corporate Investment*
  (Huseyin GULEN; Purdue University)

Session 2b:  **Financial Management of Institutions and Corporations**
Room: Hall 2-FEAS Meeting Room
Chair: Güler ARAS
Presentations:
- *Can Institutional Investors Cherry-pick Hot IPOs?*
  (Ufuk GÜÇBİLMEZ; University of Edinburgh Business School)
- *Managerial Accommodation, Proxy Access, and the Cost of Shareholder Empowerment*
  (Oğuzhan ÖZBAŞ; University of Southern California)
- *Measuring Takeover Premiums in Cross-Border M&As: Insights From Turkey*
  (Şerif ŞİMİR; Sabancı University)
- *Short-term Wealth Effects of Mergers and Acquisitions: Evidence from Emerging Markets*
  (Evren ARIK; Borsa İstanbul)
Session 2c: Financial Markets and Economic Growth  
Room: Hall 3-Borsa İstanbul Library  
Chair: Fuat ERDAL  
Presentations:
- Does Innovation Strategy Matter in Capital Structure Decisions? A Study in Indonesian Manufacturing Firms  
  (Fitri SANTI; Gadjah Mada University)  
- Does Too Much Finance Good or More Harm for Economic Growth?  
  (Siong Hook LAW; University Putra Malaysia)  
- How Local is the Local Risk  
  (Emrah ŞENER; Ozyegin University)  
- Assembling International Equity Data Sets - Evidence from the Studies on the Cross-section of Returns  
  (Antonina WASZCZUK; Europa Universität Viadrina)

16.00-16.15 Coffee Break

16.15-17.45 Session 3a: Two Continents: Conventional and Islamic Finance  
Room: Hall 1-Conference Hall  
Chair: Mehmet ASUTAY  
Presentations:
- Can an Interest-Free Credit Facility Be More Efficient Than a Usurious Payday Loan?  
  (M. Shahid EBRAHIM; Bangor University)  
- Default and Prepayment Modeling in Participating Mortgages  
  (Yusuf VARLI; Borsa İstanbul)  
- Developing Sukuk Market for Sustainable Market  
  (Zamir IQBAL; World Bank)  
  (Kabir HASSAN; University of New Orleans)  
- Causal Link Between Islamic and Conventional Banking: Evidence from Turkish Banking Sector  
  (Şerkan YÜKSEL; Borsa İstanbul)

Session 3b: Market Structure Issues in Liquidity  
Room: Hall 2-FEAS Meeting Room  
Chair: Dong LOU  
Presentations:
- Wash Sales as a Stock Market Manipulation Tool  
  (Bedri TAŞ; TOBB University)  
- Determinants of Capital Structure: Evidence from a Dynamic Emerging Market Economy  
  (Bülent KÖKSAL; İpek University)  
- Stock Market Reaction To Exchange Rate Regime Choices and Exchange Rates Stress: Evidence From Selected European Markets  
  (Nasib NABULSI; Hanken School of Economics)  
- Do International Equity Investors Rebalance  
  (Numan ÜLKÜ; AUBG)
Day 2 – Tuesday, 1 October 2013

09.00-10.30  Session 4a:  **Behavioral Biases in Finance**  
Room: Hall 1-Conference Hall

Chair: Ahmet Faruk AYSAN

Presentations:
- *Strategic Announcements by Star Analysts*  
  (Fernando ZAPATERO; University of Southern California)
- *Trading Puzzle, Puzzling Trade*  
  (Orhan ERDEM; Borsa İstanbul)
- *Over-correlated Markets and Consecutive Overreactions*  
  (Ahmet DURAN; İstanbul Technical University)
- *Can You Teach Someone to be Financially Capable? A Meta-Analysis of the Literature*  
  (Margaret MILLER; The World Bank)

10.30-10.45  Coffee Break

10.45-11.45  Session 4b:  **Empirical Methods in Financial Market Dynamics**  
Room: Hall 2-FEAS Meeting Room

Chair: Ege YAZGAN

Presentations:
- *The Effect of Investors’ Confidence on Monetary Policy- Economic Growth Relationship: A Multivariate GARCH Approach*  
  (Chiara GUERELLO; University of Genoa)
- *Benchmarking the Performance of Some Computational Intelligence Methods for the Prediction of Entering Insolvency in Case of Romanian Businesses during the Financial Crisis*  
  (Vasile GEORGESCU; University of Craiova)
- *Mitigating Turkey’s Trilemma Tradeoffs*  
  (Yasin AKÇELİK; Central Bank of the Republic of Turkey)
- *Rent versus Own Decision in the Cross Section of Expected Stock Returns*  
  (Figen Güneş DOĞAN; Bilkent University)
- *The Linkage between Foreign Bank Penetration and Host Country Risks: The Case of Turkey*  
  (Derviş KIRIKKALELİ, University of Stirling)

11.45-12.45  Session 4c:  **Issues on Trading and Volatility**  
Room: Hall 3-Borsa İstanbul Library

Chair: Ali COŞKUN

Presentations:
- *Intraday Stealth Trading and Volatility the Evidence from the Warsaw Stock Exchange*  
  (Barbara B. SOJKA; Poznan University of Economics)
- *Agency and Transparency in Financial Markets*  
  (Sadettin ÇİTÇİ; Gebze Institute of Technology)
- *What Explains the Recourse of US Commercial Banks to Securitization?*  
  (Nesrine BEN SALAH; Sousse University)
- *Changing Dynamics of Corporate Debt in India*  
  (Tulsi LINGAREDDY; Clearing Corporation of India Ltd)
10.45-12.00  **Session 5a:**  **Financial Stability and Growth**  
*Room: Hall 1-Conference Hall*  
Chair: Murat YÜLEK  
Presenters:  
- *Fiscal Responsibility and US Government Reaction to Debt Accumulation: A Time Varying Approach*  
  (Merih UÇTUM; City University of New York Graduate Center)  
- *Financial Stability and Monetary Policy - The Case of Brazil*  
  (Benjamin M. TABAK; Central Bank of Brazil)  
- *Finance and Growth: For Whom?*  
  (Tatiana D. BRANDAO; World Bank)  
- *Effects of Inflation Dynamics on Business Cycles*  
  (S. Hilmi KAL; Central Bank of Republic of Turkey)

**Session 5b:**  **Quantitative Approaches in Finance**  
*Room: Hall 2-FEAS Meeting Room*  
Chair: Cenk KARAHAN  
Presentations:  
- *Efficiency and Competitiveness in Turkish Banking*  
  (Canan YILDIRIM; Kadir Has University)  
- *Optimal Hedging Coefficient Modeling Using Interday and Intraday Distribution Dissimilarity*  
  (Igor SIROTKIN; National Research University Higher School of Economics)  
- *Market Expectations of the Short Rate and the Term Structure of Interest Rates: A New Perspective from the Classic Model*  
  (Xiaoxia YE; National University of Singapore)  
- *Comovement and Polarization of Interest Rate and Stock Market in Turkey*  
  (Ahmet DURAN; Istanbul Technical University)

**Session 5c:**  **Financial Markets and Institutions**  
*Room: Hall 3-Borsa İstanbul Library*  
Chair: Murat MAZIBAŞ  
Presentations:  
- *What Explains the BIST Spread? Evidence from Conventional and Unconventional Policy Episodes in Turkey*  
  (Anil TALASLI; Central Bank of the Republic of Turkey)  
- *Financial Intermediaries, Credit Shocks and Business Cycles*  
  (Yasin MİMİR; CBRT İstanbul School of Central Banking)  
- *Interaction between Single Stock Futures and the Underlying Securities: A Cross Country Analysis*  
  (Elif MUTLU; Borsa İstanbul)  
- *The Effects of Demographic Changes on the Long Term Housing Demand in Turkey*  
  (BiroKANIK; CBRT İstanbul School of Central Banking)
12.00 – 13.00 Lunch

13.00 – 14.00  **Plenary Talk: How Much Mathematics Do We Need in Finance?**
   Room: Hall 1-Conference Hall
   Mete SONER

14.00 – 15.30  **Session 6a: Interactions of the MENA Stock Markets in a Global Economy: Bi-Directional Influences (MEEA Session)**
   Room: Hall 1-Conference Hall
   Chair: Hassan ALY
   Presentations:
   - *Impact of Global Shocks and Volatility on Herd Behavior in an Emerging Market: Evidence from Borsa Istanbul* (Rıza DEMIRER; Southern Illinois University Edwardsville)
   - *Relative Roles of Volatility and Global Factors in Affecting Herding Behavior of the GCC Equity Markets* (Shawkat HAMMOUDEH; Drexel University)
   - *Transparency and Financial Volatility: Some Theoretical Consideration with Application to the MENA Region* (Hamid MOHTADI; University of Wisconsin-Milwaukee)

**Session 6b: Asset Pricing Anomalies in Financial Markets**
   Room: Hall 2-FEAS Meeting Room
   Chair: Emrah ŞENER
   Presentations:
   - *The Equity Premium in a DSGE Model with Limited Asset Market Participation* (Lorenzo MENNA; University of Milan-Bicocca)
   - *Ambiguity, News and Asymmetric Correlations* (Said Mehmet OZSOY; Ozyegin University)
   - *Only When the Tide Goes Out: Downside Returns and Hedge Fund Performance* (Ashley WANG; Board of Governors of the Federal Reserve)
   - *Global Financial Factors Driving Daily Changes In Sovereign Credit Default Swaps* (Alper BAKDUR; Bilkent University)

**Session 6c: Thinking Over the Hedging Strategies**
   Room: Hall 3-Borsa İstanbul Library
   Chair: Muammer ÇAKIR
   Presentations:
   - *Hedging Strategy for Electricity Market Price Volatility: The Case of Turkish Electricity Market* (Sezer B. KAHYAOĞLU; Grant Thornton Turkey)
   - *Hedging And Speculation In Energy Derivatives* (Derya ÖZTÜRK; Central Bank of the Republic of Turkey)
   - *A Dynamic Kalman Filter Approach To Detect The Futures and Spot Markets Relation* (Hasan ERTUĞRUL; Undersecretariat of Turkish Treasury)
   - *Price Behavior around Share Buyback in the Indian Equity Market* (Chanchal CHATTERJEE; IMI-Kolkata)
15.45-17.15 Session 7a: **A Closer Look to the Financial Crisis**  
*Room: Hall 1-Conference Hall*  
Chair: Merih UÇTUM  
Presentations:  
- *Anticipating the Financial Crisis: Evidence from Insider Trading in Banks*  
  (Ozlem AKIN; Ozyegin University)  
- *Credit Ratings and the Pricing of Sovereign Debt during the Euro Crisis*  
  (Mahir BINICI; Central Bank of the Republic of Turkey)  
- *Network Formation in the Euro Interbank Market: A Longitudinal Analysis of The Turmoil*  
  (Paolo ZAGAGLIA; Universita' di Bologna)  
- *Financial Innovation and Fragility*  
  (Fabian KUEHNHAUSEN; Ludwig Maximilian University of Munich)

15.45-17.15 Session 7b: **Effects of Monetary Policy on Financial Markets**  
*Room: Hall 2-FEAS Meeting Room*  
Chair: Ali KUTAN  
Presentations:  
- *Robust Monetary Policy in an Uncertain Environment: The Case of Central Bank of Tunisia*  
  (Ramzi DRISSI; Carthage University)  
- *Effects of Additional Monetary Tightening on Exchange Rates*  
  (Arif ODUNCU; Central Bank of the Republic of Turkey)  
- *Monetary Policy Misperception and the Risk-taking Channel*  
  (Michael ZABEL; University of Munich)  
- *Business Cycle, Market Power and Bank Behaviour in Emerging Countries*  
  (Zied SAADAOUl University of Sfax)

15.45-17.15 Session 7c: **Financial Literacy and Payment Systems**  
*Room: Hall 3-Borsa İstanbul Library*  
Chair: Orhan ERDEM  
Presentations:  
- *Financial Illiteracy: Overconfidence and Consequences*  
  (Rasim MUTLU; Borsa Istanbul)  
- *Financial Literacy and Credit Card Arrears*  
  (Güzin Gülüşün AKIN; Boğaziçi University)  
- *Anatomy of Formal and Informal Regulations for Payment Services: Evidence From Turkey*  
  (Levent YİLDİRAN; Boğaziçi University)  
- *Credit Card Satisfaction and Financial Literacy: Evidence from an Emerging Market Economy*  
  (Ahmet Faruk AYSAN; Central Bank of the Republic of Turkey)