



## Adam Smith Workshops in Asset Pricing & Corporate Finance

Thursday, 22 and Friday, 23 March 2018

**Generously hosted by**

London Business School

**Organizers:**

The Adam Smith Workshops are a regular event organised jointly by HEC Paris, EDHEC, Imperial College Business School, London Business School, London School of Economics and Political Science, Saïd Business School (University of Oxford), the Centre for Economic Policy Research (CEPR), and the AQR Asset Management Institute.

**Session format:**

30 minutes of presentation, 20 minutes of discussion, 10 minutes of Q&A

**Links to papers:**

Papers can be downloaded from the following website: [asapworkshops.wordpress.com](http://asapworkshops.wordpress.com)

## Thursday, 22 March

**11:30 – 13:30 Registration at Ratcliffe Reception, LBS Main Campus**

### Asset Pricing

Room: LT9

#### **Session 1:**

**Time:** 13:30 – 15:30

**Paper:** *Incentive Constrained Risk Sharing, Segmentation and Asset Pricing*

**Authors:** Bruno Biais\*, Johan Hombert, Pierre-Olivier Weill

**Discussant:** Valentin Haddad (UCLA)

**Paper:** *An Intermediation-Based Model of Exchange Rates*

**Authors:** Semyon Malamud\*, Andreas Schrimpf

**Discussant:** Andrea Vedolin (Boston University)

### Corporate Finance

Room: LT6

#### **Session 1:**

**Time:** 13:30 – 15:30

**Paper:** *Predictably Unequal? The Effects of Machine Learning on Credit Markets*

**Authors:** Andreas Fuster, Paul Goldsmith-Pinkham, Tarun Ramadorai & Ansgar Walther\*

**Discussant:** Johan Hombert (HEC)

**Paper:** *The Information Content of Dividends: Safer Profits, Not Higher Profits*

**Authors:** Roni Michaely, Stefani Rossi and Michael Weber\*

**Discussant:** Henri Servaes (London Business School)

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## **15:30-15:50 → Coffee Break, R1 Lounge**

### **Session 2 (“Rapid Fire”):**

**Time:** 15:50-16:50

**Paper:** *Financial Innovation and Asset Prices*

**Authors:** Raman Uppal, Adrian Buss\*, Grigory Vilkov

**Paper:** *Turning Alphas into Betas: Arbitrage and Endogenous Risk*

**Author:** Thummin Cho

**Paper:** *ETF Arbitrage under Liquidity Mismatch*

**Authors:** Yao Zeng\*, Kevin Pan

### **Session 1 con’t.:**

**Time:** 15:50-16:50

**Paper:** *Entrepreneurship and Information on Past Failures: A Natural Experiment*

**Authors:** Christophe Cahn, Mattia Girotti\*, Augustin Landier

**Discussant:** Paul Goldsmith-Pinkham (New York Fed)

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**17:00 – 18:00 → Drinks Reception, R1 Lounge → 18:00: Dinner, Garden Room**

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## Friday, 23 March

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**08:30 – 09:00 → Breakfast, R1 Lounge**

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### Asset Pricing

Room: LT9

#### **Session 3:**

**Time:** 9:00-11:00

**Paper:** *Out-of-Town Buyers and City Welfare*

**Authors:** Jack Favilukis\*, Stijn Van Nieuwerburgh

**Discussant:** Christophe Spaenjers (HEC Paris)

**Paper:** *The Finance-Uncertainty Multiplier*

**Authors:** Ivan Alfaro\*, Nicholas Bloom, Xiaoji Lin

**Discussant:** Howard Kung (London Business School)

### Corporate Finance

Room: LT6

#### **Session 3:**

**Time:** 9:00-10:00

**Paper:** *Persistent Blessings of Luck*

**Authors:** Lin William Cong, Yizhou Xiao\*

**Discussant:** Ulf Axelson (London School of Economics)

**Paper:** *The Insurance is the Lemon: Failing to Index Contracts*

**Authors:** Barney Hartman-Glaser\*, Benjamin Hebert\*

**Discussant:** John Kuong (INSEAD)

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**11:00-11:15 → Coffee Break, R1 Lounge**

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#### **Session 4:**

**Time:** 11:15-12:15

**Paper:** *Funding Constraints and Informational Efficiency*

**Authors:** Sergei Glebkin, Naveen Gondhi\*, John Kuong

**Discussant:** Gyuri Venter (Copenhagen Business School)

#### **Session 3:**

**Time:** 11:15-12:15

**Paper:** *For Richer, For Poorer: Banker's Skin-in-the-game and Risk Taking in New England, 1867-1880*

**Authors:** Peter Koudijs\*, Laura Salisbury

**Discussant:** Simcha Barkai (London Business School)

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**12:15 – 13:15 → Lunch, Garden Room**

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## Joint Asset Pricing and Corporate Finance Session

**Location:** LT6

**Time:** 13:15 – 15:15

**Paper:** *Political Cycles and Stock Returns*

**Authors:** Pietro Veronesi\*, Lubos Pastor

**Discussant:** Mungo Wilson (Oxford)

**Paper:** *The Collateral Rule: An Empirical Analysis of the CDS Market*

**Authors:** Agostino Capponi, W. Allen Cheng, Stefano Giglio\*, Richard Haynes

**Discussant:** Dimitri Vayanos (London School of Economics)

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**15:15 – 15:30 → Coffee Break, R1 Lounge**

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### Session 5:

**Location:** LT9

**Time:** 15:30 – 17:30

**Paper:** *Term Structure of Risk in Expected Returns*

**Author:** Irina Zviadadze

**Discussant:** Jaroslav Borovička (New York University)

**Paper:** *The Sound of Many Funds Rebalancing*

**Authors:** Alex Chinco\*, Vyacheslav Fos

**Discussant:** Cecilia Parlatore (New York University)

### Session 4:

**Location:** LT6

**Time:** 15:30 – 17:30

**Paper:** *CAPM-Based Company (Mis)valuations*

**Authors:** Olivier Dessaint, Jaques Olivier, Clemens A. Otto\*, David Thesmar

**Discussant:** Claudia Custodio (Imperial College London)

**Paper:** *Squaring Venture Capital Valuations with Reality*

**Authors:** Will Gornall, Ilya A. Strebulaev\*

**Discussant:** Morten Sorensen (Copenhagen Business School)

**End**