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, Said 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
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)

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

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

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

**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)

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)

17:00 – 18:00 → Drinks Reception, R1 Lounge → 18:00: Dinner, Garden Room
Friday, 23 March

08:30 – 09:00 → Breakfast, R1 Lounge

**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)

11:00-11:15 → Coffee Break, R1 Lounge

12:15 – 13:15 → Lunch, Garden Room

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* indicates presenting author
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)

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

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)

End

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)

* indicates presenting author