



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: <i>Redesigning Capital Markets in Post Global Crisis Era</i> <i>Room: Hall 1- Conference Hall</i> Chair: İbrahim M. TURHAN, Ph.D. (Borsa İstanbul, Chairman & CEO) Panelists: 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) Almir MIRICA (Sarajevo Stock Exchange, Executive Director)
12.00-13.00	Lunch
13.00-14.30	Session 1a: <i>Residential and Commercial Real Estate Market</i> <i>Room: Hall 1- Conference Hall</i> Chair: Yıldırım YILDIRIM; Syracuse University Presentations: <ul style="list-style-type: none">• <i>Auction versus Negotiated Sale: Evidence from Real Estate Sales</i> (Abdullah YAVAS; University of Wisconsin-Madison)• <i>Self-Assessed House Prices</i> (Morris A. DAVIS; University of Wisconsin-Madison)• <i>Counterparty Risk and Capital Structure</i> (Brent W. AMBROSE; Pennsylvania State University) Session 1b: <i>Investment Allocation and Strategies</i> <i>Room: Hall 2- FEAS Meeting Room</i> Chair: Koray ŞİMŞEK; Sabancı University Presentations: <ul style="list-style-type: none">• <i>Diversification with Idiosyncratic Volatility in Real Time</i> (Theodore MOORMAN; Baylor University)• <i>The Determinants of Bilateral Cross-Border Bond and Equity Flows: A Sectoral Analysis</i>

(Faruk BALLI; Massey University)

- *Dynamic Relationship Between Precious Metals*
(Ahmet ŞENSOY; Borsa İstanbul)
- *Optimal Redemption Policies for Illiquid Investments*
(Cenk C. KARAHAN, Boğaziçi University)

Session 1c: Behavioral Aspects of Investment

Room: Hall 3-Borsa İstanbul Library

Chair: Merih UÇTUM; City University of New York

Presentations:

- *Overconfidence, Familiarity Bias and Representativeness Heuristic of Equity Investors*
(Bülent TEKÇE; 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 ÖZTÜRKAL; Kadir Has University)

14.30-16.00 **Session 2a: Empirical Asset Pricing Anomalies**

Room: Hall 1-Conference Hall

Chair: Fernando ZAPATERO; University of Southern California

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; Yıldız Technical University

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 ŞİMŞİR; Sabancı University)
- *Short-term Wealth Effects of Mergers and Acquisitions: Evidence from Emerging Markets*
(Evren ARIK; Borsa İstanbul)

Session 2c: *Financial Literacy and Payment Systems*

Room: Hall 3-Borsa İstanbul Library

Chair: Orhan ERDEM; Borsa İstanbul

Presentations:

- *Financial Illiteracy: Overconfidence and Consequences*
(Rasim MUTLU; Borsa İstanbul)
- *Financial Literacy and Credit Card Arrears*
(Güzin Gülsün AKIN; Boğaziçi University)
- *Anatomy of Formal and Informal Regulations for Credit Card Payment Services*
(Levent YILDIRAN; Boğaziçi University)
- *Credit Card Satisfaction and Financial Literacy: Evidence from an Emerging Market Economy*
(Ahmet Faruk AYSAN; Central Bank of the Republic of Turkey)

16.00-16.15 Coffee Break

16.15-17.45 Session 3a: *Two Continents: Conventional and Islamic Finance*

Room: Hall 1-Conference Hall

Chair: Murat MAZIBAŞ; Borsa İstanbul

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 Development*
(Zamir IQBAL; World Bank)
- *Are Islamic Bonds Different from Conventional Bonds? International Evidence from Capital Market Tests*
(Kabir HASSAN; University of New Orleans)
- *Causal Link Between Islamic and Conventional Banking: Evidence from Turkish Banking Sector*
(Serkan YÜKSEL; Borsa İstanbul)

Session 3b: *Market Structure Issues in Liquidity*

Room: Hall 2-FEAS Meeting Room

Chair: Dong LOU; London School of Economics and CEPR

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)
- *Rent versus Own Decision in the Cross Section of Expected Stock Returns*
(Figen Güneş DOĞAN; Bilkent University)
- *Stock Market Reaction To Exchange Rate Regime Choices and Exchange Rates Stress: Evidence From Selected European Markets*
(Nasib NABULSI; Hanken School of Economics)

Session 3c: *Financial Markets and Economic Growth*

Room: Hall 3-Borsa İstanbul Library

Chair: Fuat ERDAL; İstanbul Technical University

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*
(Sayad BARONYAN; Ozyegin University)
- *Assembling International Equity Data Sets - Evidence from the Studies on the Cross-section of Returns*
(Antonina WASZCZUK; Europa Universität Viadrina)

Day 2 – Tuesday, 1 October 2013

09.00-10.30 **Session 4a: *Behavioral Biases in Finance***

Room: Hall 1-Conference Hall

Chair: Serkan ÖZCAN; Odeabank

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; World Bank)

Session 4b: *Empirical Methods in Financial Market Dynamics*

Room: Hall 2-FEAS Meeting Room

Chair: Ege YAZGAN; İstanbul Bilgi University

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)
- *The Linkage between Foreign Bank Penetration and Host Country Risks: The Case of Turkey*
(Derviş KIRIKKALELİ, University of Stirling)

Session 4c: *Issues on Trading and Volatility*

Room: Hall 3-Borsa İstanbul Library

Chair: Ali COŞKUN; Boğaziçi University

Presentations:

- *Intraday Stealth Trading: The Evidence from the Warsaw Stock Exchange*
(Barbara BEDOWSKA-SOJKA; Poznan University of Economics)
- *Agency and Transparency in Financial Markets*
(Sadettin ÇİTÇİ; Gebze Institute of Technology)

10.30–10.45 Coffee Break

10.45–12.00 **Session 5a: *Financial Stability and Growth***

Room: Hall 1-Conference Hall

Chair: Murat YÜLEK; İstanbul Commerce University

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 DIDIER; World Bank)
- *Inflation Dynamics and Business Cycles*
(S. Hilmi KAL; Central Bank of The Republic of Turkey)

Session 5b: *Quantitative Approaches in Finance*

Room: Hall 2-FEAS Meeting Room

Chair: Cenk KARAHAN; Boğaziçi University

Presentations:

- *Efficiency and Competitiveness in Turkish Banking*
(Canan YILDIRIM; Kadir Has University)
- *Comovement and Polarization of Interest Rate and Stock Market in Turkey*
(Ahmet DURAN; Istanbul Technical University)
- *The Intervention of Central Banks to Jumps in Exchange Rate Markets: The Case of Central Bank of the Republic of Turkey*
(Ramazan EKİNCİ; Dokuz Eylül University)

Session 5c: *Financial Markets and Institutions*

Room: Hall 3-Borsa İstanbul Library

Chair: Talat ULUSSEVER; Borsa İstanbul

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 Istanbul School of Central Banking)
- *The Effects of Demographic Changes on the Long Term Housing Demand in Turkey*
(Birol KANIK; CBRT Istanbul 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; ETH Zurich and Swiss Finance Institute

14.00–15.30 ***Session 6a: Interactions of the MENA Stock Markets in a Global Economy: Bi-Directional Influences***

Room: Hall 1-Conference Hall

Chair: Fatma DOĞRUEL; Marmara University

Presentations:

- *Impact of Global Shocks and Volatility on Herd Behavior in an Emerging Market: Evidence from Borsa Istanbul*
(Rıza DEMIRER; Southern Illinois University Edwardsville)
- *Transparency and Financial Volatility: Some Theoretical Consideration with Application to the MENA Region*
(Hamid MOHTADI; University of Wisconsin-Milwaukee)
- *Drivers of Foreign and Domestic Demand for Sovereign Bonds in Developed and Emerging Economies: Fundamentals vs. Market Sentiment*
(Tomasz ORPISZEWSKI; AXA Investment Managers)

Session 6b: Asset Pricing Anomalies in Financial Markets

Room: Hall 2-FEAS Meeting Room

Chair: Emrah ŞENER; Özyeğin University

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; Borsa İstanbul

Presentations:

- *Hedging Strategy for Electricity Market Price Volatility: The Case of Turkish Electricity Market*
(Sezer B. KAHYAOĞLU; Grant Thornton Turkey)
- *Interaction between Single Stock Futures and the Underlying Securities: A Cross Country Analysis*
(Elif MUTLU; Borsa İstanbul)
- *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: Ahmet DURAN; İstanbul Technical University

Presentations:

- *Anticipating the Financial Crisis: Evidence from Insider Trading in Banks*
(Ozlem AKIN; Universitat Pompeu Fabra)
- *Credit Ratings and the Pricing of Sovereign Debt during the Euro Crisis*
(Mahir BINICI; Central Bank of the Republic of Turkey)
- *Financial Innovation and Fragility*
(Fabian KUEHNHAUSEN; Ludwig Maximilian University of Munich)
- *The Impact of Sovereign Credit Downgrades and CDS on Holdings of Government Debt in Developed and Emerging Economies*
(Tomasz ORPISZEWSKI; AXA Investment Managers)

Session 7b: ***Effects of Monetary Policy on Financial Markets***

Room: Hall 2-FEAS Meeting Room

Chair: Ali M. KUTAN; Southern Illinois University at Edwardsville

Presentations:

- *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)