HKUST Finance Symposium on

Active Investing and Arbitrage Capital

December 12-13, 2016

VENUE: Room 3001, Lee Shau Kee Business School Building, HKUST

12 Dec 2016 (Monday)

8:30 - 8:50 am	Conference registration and coffee
8:50 – 9 am	Welcome

Session I. Funding of arbitrage capital

Session Chair: Jialin Yu, HKUST

9 - 10 am

Alpha or Beta in the Eye of the Beholder: What Drives Hedge Fund Flows?
Vikas Agarwal, Georgia State University, **T. Clifton Green**, Emory University, Honglin Ren,Georgia State University

Discussant: **Ashley Wang**, Board of Governors of the Federal Reserve

10 - 10:15 am Coffee break

10:15 – 11:15 am

Margin Credit and Stock Return Predictability
Prachi Deuskar, Indian School of Business, Nitin Kumar
Indian School of Business, Jeramia Poland, Indian School of Business

Discussant: **Paul Gao**, University of Notre Dame

11:15 - 11:30 am Coffee break

Session II. Stock market factors

Session Chair: George Panayotov, HKUST

11:30 - 12:30 pm

A Comparison of New Factor Models
Kewei Hou, Ohio State University, Chen Xue, University of Cincinnati,
Lu Zhang, Ohio State University

Discussant: **Kai Li**, HKUST

12:30 - 2:15 pm Lunch, Chinese Restaurant, Hong Kong Jockey Club Atrium, G/F, HKUST

Session III. Bond and FX markets

Session Chair: John Nash, HKUST

2:15 - 3:15 pm

Common Risk Factors in the Cross-Section of Corporate Bond Returns
Jennie Bai, Georgetown University, Turan G. Bali,
Georgetown University, **Quan Wen**, Georgetown University

Discussant: **Laurent Barras**, McGill University

3:15 - 3:30 pm Coffee break

3:30 - 4:30 pm	Optimal Factor Strategy in FX Markets **Thomas A. Maurer**, Washington University in St. Louis, Thuy-Duong Tô, University of New South Wales, Ngoc-Khanh Tran, Washington University in St. Louis Discussant: **George Panayotov**, HKUST
4:30 – 5:45 pm	Poster Session by **HKUST PhD students**
5:45 pm	Boat trip to Sai Kung, pick up at HKUST pier
7pm – 9 pm	Seafood Dinner, Tung Kee Seafood Restaurant, Sai Kung

13 Dec 2016 (Tuesday)

8:45 - 9:00 am	Coffee

Session IV. Social interaction, behavioral bias, and active investing
Session Chair: Xuewen Liu, HKUST

9:00 - 10:00 am	Social Transmission Bias and Active Investing **Bing Han**, University of Toronto, David A. Hirshleifer, University of California, Irvine Discussant: **Deniz Okat**, HKUST
10:00 - 10:15 am	Coffee break

Session V. Limits to arbitrage
Session Chair: Kai Li, HKUST

10:15 - 11:15 am	The Term Structure of Short Selling Costs **Gregory Weitzner**, University of Texas at Austin Discussant: **Wenxi Jiang**, Chinese University of Hong Kong
11:15 - 11:30 am	Coffee break
11:30 - 12:30 am	A First Glimpse into the Short Side of Hedge Funds **Jaewon Choi**, University of Illinois at Urbana-Champaign, Neil D. Pearson, University of Illinois at Urbana-Champaign, Shastri Sandy, The Brattle Group Discussant: **Xiaoyan Zhang**, PBC School of Finance, Tsinghua University
12:30 - 3 pm	Lunch and Keynote Speech **“Is there a Premium for any Factor Risk?”** **Narasimhan Jegadeesh**, Emory University Conference Lodge restaurant, HKUST
3 - 3:30pm	Coffee break

Session VI. Information at financial intermediaries
Session Chair: Yingying Li, HKUST

3:30 - 4:30 pm	Inside Brokers Frank Weikai Li, HKUST, Abhiroop Mukherjee, HKUST, Rik Sen, University of New South Wales Discussant: **Tong Yao**, University of Iowa
4:30 - 5:45 pm	Closing remark, followed by cocktail reception (UniBar at UC Bistro)
5:45 pm	Coach depart for dinner (Lawry's the Prime Rib)
6:30 - 8:30 pm	Dinner