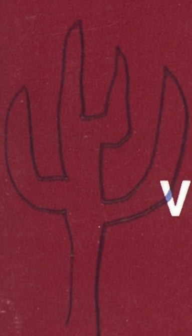
Program

Nineteenth Annual Conference of the Western Finance Association



Sheraton - Landmark
Vancouver, B.C., Canada

June 20-23, 1984

Western Finance Association

...a professional society administered in the western part of the United States and Canada for academicians and practitioners with a scholarly interest in the development and application of theory in finance.

Its purposes are (1) to serve as a focal point for communication among members, (2) to improve teaching and scholarship, and (3) to provide for the dissemination of information, including the holding of meetings and the support of publications.

Membership in the Association is open to individuals from both the academic and professional community ($20 per year) and to institutions ($100 per year) who have an interest in furthering its purposes. Membership includes a subscription to the **Journal of Financial and Quantitative Analysis**, which is published by the Graduate School of Business Administration at the University of Washington in conjunction with the Western Finance Association. For libraries and nonmember institutions subscription rates are $30 per year. All rates outside the United States and Canada are $5 higher.

Correspondence regarding membership and subscription should be addressed to:

Subscripton Manager, JFQA
University of Washington, DJ-10
Seattle, Washington 98195

Checks are payable to the JFQA. Correspondence regarding other aspects of the Association should be addressed to:

Professor Michael D. Joehnk
Secretary-Treasurer, WFA
College of Business Administration
Arizona State University
Tempe, Arizona 85287
(602) 965-3131

A call for Papers and Participants for the 1985 Conference of the Western Finance Association appears on the program's final page.

Registration Information

All meetings will be held at the Sheraton-Landmark. Use the enclosed reservation card to obtain convention rates and mail to:

Sheraton-Landmark
1400 Robson Street
Vancouver, B.C. V6G 1B9
CANADA

On-site registration will be located in the foyer during the conference beginning at 4:00 p.m., Wednesday, June 20.

Pre-Registration

Pre-registration is urged and the enclosed form is to be used. Mail to:

Professor Eduardo S. Schwarz
Faculty of Commerce and
Business Administration
University of British Columbia
Vancouver, B.C. V6T 1Y8
CANADA

Registration WFA Member	$25.00
Non-member	$35.00
Annual meeting, luncheon and Distinguished Speaker	$13.00

Make checks payable in U.S. funds only to the **Western Finance Association.**

Western Finance Association

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1977-78	David Pyle	University of California-Berkeley
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1984 Program Committee

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Alan C. Shapiro, University of Southern California
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Eric H. Sorensen, University of Arizona

Local Arrangements Alan Kraus and Eduardo S. Schwartz, University of British Columbia

Program Advertising Michael D. Joehnk, Arizona State University

Host Institution University of British Columbia

Registration The registration desk will be open:
Wednesday, June 20 - 4:00 p.m. to 8:00 p.m.
Thursday, June 21 - 8:00 a.m. to 5:00 p.m.
Friday, June 22 - 8:00 a.m. to 12:30 p.m.

Program Summary

WEDNESDAY, JUNE 20

4:00 - 8:00 p.m. **Registration**
6:00 - 8:00 p.m. No-host cocktails

THURSDAY, JUNE 21

8:30 - 10:20 a.m.
- Financial Institutions
- Economics of Information
- Acquisitions and Divestitures
- Accuracy of Option Pricing Models

10:30 - 12:20 p.m.
- Corporate Governance and Managerial Compensation
- Rating Agencies and Bond Ratings
- Stock Prices
- Asset Pricing Models

2:00 - 3:50 p.m.
- Event-Study Methodology
- Taxes and Corporate Finance
- Invited Session: Corporate Call Policies on Convertible Securities
- Size and P/E Anomalies

4:00 - 6:00 p.m.
- WFA Executive Committee and Board of Directors Meeting

6:00 - 8:00 p.m.
- No-host cocktails

FRIDAY, JUNE 22

8:30 - 9:40 a.m.
- International Finance and Investment
- Capital Investment Decisions

8:30 - 10:20 a.m.
- Dividends and Stock Prices
- Agency Costs of Financing Decisions

9:50 - 11:00 a.m.
- Performance Evaluation
- Inflation and Finance

10:30 - 12:20 p.m.
- Commodity Futures
- Risk and Return Measurements

11:10 - 12:20 p.m.
- Government Bonds
- Information Content of Futures Prices

12:30 - 2:20 p.m.
- Annual Meeting and Luncheon
  Distinguished Speaker: Richard Roll, University of California-Los Angeles

2:30 - 4:20 p.m.
- New Issues and Investment Banking
- Efficiency of Foreign Exchange Markets
- Option Pricing
- Invited Session: Dividend Policy: State of the Art After 25 Years of Research

SATURDAY, JUNE 23

8:30 - 10:20 a.m.
- Asymmetric Information and Debt Contracts
- Corporate Bonds
- Seasonalities in Stock Returns
- Consumption Based Valuation Models

10:30 - 12:20 p.m.
- Leasing
- Capital Structure
- Term Structure of Interest Rates
- Frequency of Trading and Stock Returns

Nineteenth Annual Conference

WESTERN FINANCE ASSOCIATION
VANCOUVER, B.C. CANADA
JUNE 20-23, 1984

President: Nils H. Hakansson
President-Elect and Program Chairman: Seha M. Tinic

WEDNESDAY, JUNE 20

4:00 - 8:00 p.m. **Registration**
6:00 - 8:00 p.m. No-host cocktails

THURSDAY, JUNE 21

8:30 - 10:20 a.m. **FINANCIAL INSTITUTIONS** - Room 204

Chair: Maureen O'Hara, Cornell University

"Risk-Sensitive Federal Deposit Insurance Premiums and Deregulation: A Contingency Claim Model," Gerald O. Bierwag, University of Arizona and George G. Kaufman, Loyola University of Chicago.

"Fixed Rate Deposit Insurance: A Re-Examination," Laurie Goodman, Citibank, N.A.

"Changes in Ownership Structure: Conversion of Mutual Savings and Loans to Stock Charter," Ronald W. Masulis, University of California-Los Angeles.

Discussants: Yuk-Shee Chan, Northwestern University
Willard Carleton, University of North Carolina
Christopher James, University of Oregon

ECONOMICS OF INFORMATION · Room 205

Chair: Gordon Sick, University of Alberta

"Information Production in a Fully Revealing Rational Expectations Economy," Robert T. Clemen and Robert Jennings, Indiana University.

"Signalling By Information Production," Sheridan Titman and Brett Trueman, University of California-Los Angeles.

"Disclosure, Risk Sharing, and Valuation Under Asymmetric Information," Patricia J. Hughes, University of California-Los Angeles.

Discussants: Philip Dybvig, Yale University
Richard P. Castanias, University of California at Davis
Neal M. Stoughton, University of British Columbia

ACQUISITIONS AND DIVESITURES · Room 206

Chair: E. Han Kim, University of Michigan

"Disclosure Law, Competition, and Industry Wealth Effects of Takeover Bids," B. Espen Eckbo, University of British Columbia.

"The Effect of Voluntary Divestiture on Stock Prices: Sales of Subsidiaries," Scott C. Linn and Michael S. Rozeff, University of Iowa.

"The Wealth Effects of Voluntary Divestitures: Implications for the Divesting and Acquiring Firms," Douglas Hearth and Janis Zaima, University of Colorado at Denver.

Discussants: Paul K. Asquith, Harvard University
Kenneth M. Eades, The University of Michigan
Michael Mazzeo, Indiana University

ACCURACY OF OPTION PRICING MODELS ·Room 207

Chair: James D. MacBeth, University of Texas-Dallas

"Biased Estimation of the Black-Scholes Formula," John Scott Butler, Vanderbilt University and Barry Schachter, Simon Fraser University.

"Call Option Mispricing Measurement: Theory and Evidence," Linda J. Martin, Arizona State University and Dan W. French, Texas A&M University.

"Variance Biases in the Valuation of American Options," Robert Geske and Richard Roll, University of California-Los Angeles.

Discussants: Steve Manaster, University of Utah
Mihir Bhattacharya, University of Michigan
David Emanuel, University of Texas at Dallas

10:30 - 12:20 p.m. **CORPORATE GOVERNANCE AND MANAGERIAL COMPENSATION** · Room 204

Chair: Willard T. Carleton, University of North Carolina

"An Analysis of the Effects of State Acquisition Laws on Managerial Efficiency: The Case of Bank Holding Company Acquisition," Christopher James, University of Oregon.

"Corporate Control and Management Compensation: Evidence on the Agency Problem," Edward A. Dyl, University of Wyoming.

"The Impact of Long-Range Managerial Incentive Compensation Plans on Shareholder Wealth," Sanjai Bhagat, University of Washington, James Brickley and Ronald C. Lease, University of Utah.

Discussants: Maureen O'Hara, Cornell University
Anjan Thakor, Northwestern University
Richard Green, Carnegie Mellon University

RATING AGENCIES AND BOND RATINGS · Room 205

Chair: Mark Weinstein, University of Southern California

"A Theory of Rating Agencies: Pricing, Quality and Market Structure," Tim S. Campbell, University of Southern California and Robert Heinkel, University of British Columbia.

"Informational Content of Bond Ratings," Louis H. Ederington, Georgia State University, Jess B. Yawitz and Brian E. Roberts, Washington University.

"An Empirical Analysis of Bond Rating Changes in a Portfolio Context," Joseph E. McCarthy, Old Dominion University and Ronald W. Melicher, University of Colorado.

Discussants: Brett Trueman, University of California-Los Angeles
Paul Griffin, University of California at Davis
Terrence Langetieg, University of Southern California

STOCK PRICES · Room 206

Chair: Seymour Smidt, Cornell University

"The Variability of Common Stock Returns," Ehud I. Ronn, University of California-Berkeley, Michael R. Gibbons and Robert H. Litzenberger, Stanford University.

"Stock Prices and Money: Test of Rationality and Neutrality," William G. Foote, Clarkson College.

"Impact of Labor Strikes on Security Prices," James L. Grant, Boston College.

Discussants: Larry Harris, University of Southern California
Louis Chan, Cornell University
Itzhak Swary, New York University

ASSET PRICING MODELS · Room 207

Chair: Robert H. Litzenberger, Stanford University

"A Generalized Arbitrage Pricing Theory," Robert Jarrow, Cornell University.

"Arbitrage Equilibrium with Skewed Asset Returns," Giovanni Barone-Adesi, University of Alberta.

"An Empirical Examination of the Implications of Arbitrage Pricing Model," P.J. Dhrymes, Columbia University, Irwin Friend and N. Bulent Gultekin, University of Pennsylvania.

Discussants: Anat Admati, Stanford University
Allan Kleidon, Stanford University
Jay Shanken, University of California-Berkeley

2:00 - 3:50 p.m. **"EVENT STUDY" METHODOLOGY** · Room 204

Chair: N. Bulent Gultekin, University of Pennsylvania

"Using Daily Stock Returns in Event Studies," Stephen J. Brown, Bell Laboratories and Jerold B. Warner, University of Rochester.

"On the Appropriateness of Daily Data for OLS Event Studies," Michael A. Berry, University of Virgina, George W. Gallinger, Arizona State University, Glenn Henderson, Jr., North Texas State University.

"Are Excess Returns Necessarily Economic Profits: An Analysis of Changes in Risk and Their Pricing Effect in Event Time," Avner Kalay and Uri Loewenstein, New York University.

Discussants: Wayne Ferson, University of Pennsylvania and University of Chicago
Chi-Wen Jevons Lee, University of Pennsylvania
Phoebus J. Dhrymes, Columbia University and University of Pennsylvania

TAXES AND CORPORATION FINANCE · Room 205

Chair: Charles A. D'Ambrosio, University of Washington

"Tax Shields and Firm Size: An Analysis of IRS Data," Theodore E. Day, Hans R. Stoll and Robert E. Whaley, Vanderbilt University.

"On the Structure and Incentive Effects of Tax Liabilities," Richard C. Green, Carnegie-Mellon University and Eli Talmor, Tel Aviv University.

"Corporate and Personal Income Taxes and Optimal Capital Structure," Edwin O. Fischer and Josef Zechner, University of Graz.

Discussants: Paul Griffin, University of California at Davis
Halbert S. Kerr, Washington State University
J. Kimball Dietrich, University of Southern California

INVITED SESSION: CORPORATE CALL POLICIES ON CONVERTIBLE SECURITIES · Room 207

Chair: Jonathan Ingersoll, Yale University

"A Sequential Signalling Model of Convertible Debt Call Policy," Milton Harris and Arthur Raviv, Northwestern University.

"Capital Structure Change and Decreases in Stockholders' Wealth: A Cross-Sectional Study of Convertible Security Calls," Wayne H. Mikkelson, University of Chicago.

"Are Convertibles Called Late?" George M. Constantinides and Bruce D. Grundy, University of Chicago.

Discussants: Douglas Diamond, University of Chicago
Allan Kleidon, Stanford University
Phil Dybvig, Yale University

SIZE AND P/E ANOMALIES · Room 206

Chair: Marc Reinganum, University of Southern California

"The Impact of the Small Firm Effect on Event Studies: The Case of Published UK Stock Recommendation," Elroy Dimson and Paul Marsh, London Business School.

"Partial Diversification As an Explanation of the Small Firm Effect," Joseph Lakonishok, Tel Aviv University and Alan C. Shapiro, University of Southern California.

"Size and Earnings/Price Ratio Anomalies: One Effect or Two?" Thomas J. Cook, University of Denver and Michael S. Rozeff, University of Iowa.

Discussants: Mark Weinstein, University of Southern California
Paul Pfleiderer, Stanford University
Stephen J. Brown, Yale University and Bell Laboratories

FRIDAY, JUNE 22

8:30 - 9:40 a.m. **INTERNATIONAL FINANCE AND INVESTMENT** ·Room 204

Chair: Mark Eaker, University of North Carolina

"Asset Pricing in International Markets: Theory and Evidence," James N. Bodurtha, Jr., Ohio State University.

"Direct Foreign Investment with Imperfect Information," William M. Taylor and Lemma W. Senbet, University of Wisconsin-Madison.

Discussants: Louis Ederington, Georgia State University
James Hodder, Stanford University

…TAL INVESTMENT DECISIONS · Room 207

Chair: George S. Oldfield, Jr., Cornell University

"Learning, Capital Budgeting and the Degree of Rivalry," Chester S. Spatt, Carnegie-Mellon University and Fred Sterbenz, University of Wyoming.

"Evaluating Natural Resource Investments," Michael J. Brennan and Eduardo S. Schwartz, University of British Columbia.

Discussants: William Marshall, Washington University.
Robert Geske, University of California-Los Angeles

8:30 - 10:20 a.m. **DIVIDENDS AND STOCK PRICES** · Room 206

Chair: Thomas E. Copeland, University of California-Los Angeles

"Dividend Changes, Trading Volume, and Investor Clienteles," Paul Asquith and William S. Krasker, Harvard University.

"Dividend Omissions: Consolidated Edison May Really be Different," Dorothy Bower and Richard S. Bower, Dartmouth College.

"Ex-Dividend Effects and Dividend Announcement Effects: Evidence From Firms Paying Dividends for the First Time," Menachem Brenner, Hebrew University and New York University, Stephen Penman, University of California-Berkeley.

Discussants: Wayne Mikkelson, University of Chicago
R. Richardson Pettit, University of Houston
Ronald Masulis, University of California-Los Angeles

AGENCY COSTS OF FINANCING DECISIONS. Room 205

Chair: David Emanuel, University of Texas at Dallas

"Agency Costs of External Financing and Tobin's Q. Ratio," Wi Saeng Kim, Baruch College and Esmeralda O. Lyn, Hofstra University.

"Equityholder Investment Incentives and the Agency Cost of Debt," Scott C. Linn and Eric C. Chang, University of Iowa.

***"Agency Costs of Debt in Financing of Municipal Projects,"** Edward H. Robbins, University of Arizona.

Discussants: Philip Dybvig, Yale University
Kose John, New York University
Gordon Sick, University of Alberta

***Trefftzs Award Winner**

9:50 - 11:00 a.m. **PERFORMANCE EVALUATION** · Room 207

Chair: Nancy L. Jacob, University of Washington

"Performance Measurement with a Beta Pricing Model," Gregory Conner, Northwestern University.

"A Comparison of APM, CAPM and Market Model Portfolio Performance Methodologies: The Value Line Case," Thomas E. Copeland, University of California-Los Angeles, Nai-Fu Chen, University of Chicago and David Mayers, University of California-Los Angeles.

Discussants: Sheridan Titman, University of California-Los Angeles
Myron Scholes, Stanford University

INFLATION AND FINANCE · Room 204

Chair: Keith V. Smith, Purdue University

"The Effects of Inflation and Income Taxes on Interest Rates: Some New Evidence," Young-Sup Yun, Washington State University.

"The Pricing of Unanticipated Changes in Expected Inflation: Evidence from the Stock Market, Richard J. Sweeney and Arthur D. Warga, Claremont Graduate School and UCLA.

Discussants: George G. Kaufman, Loyola University of Chicago
Edward A. Dyl, University of Wyoming

10:30 - 12:20 p.m. **COMMODITY FUTURES** · Room 206

Chair: Dennis W. Draper, University of Southern California

"Commodity Futures Contracts and Common Stocks as Hedges Against Relative Price Risk," Victor L. Bernard, University of Michigan and Thomas L. Frecka, University of Illinois.

"Return to Speculators and the Theory of Normal Backwardation," Eric C. Chang, University of Iowa.

"Optimal Multi-period Futures Trading with Many Commodities and Many Contracts," Dwight Grant, North Carolina State University and Mark Eaker, University of North Carolina.

Discussants: Gerald Gay, Georgia State University
Larry Harris, University of Southern California
Steve Manaster, University of Utah

RISK AND RETURN MEASUREMENTS · Room 205

Chair: Terry A. Marsh, Massachusetts Institute of Technology

"An Asymptotic Analysis of the Traditional Risk-Return Model," Jay Shanken, University of California-Berkeley.

"The Geometry of the Maximum Likelihood Estimation of the Zero-Beta Return," Shmuel Kandel, University of Chicago.
"Multivariate Return Relationships and Systematic Risk," Brian C. Pennington and James M. Tipton, Baylor University.

Discussants: Nai-Fu Chen, University of Chicago
David Modest, Stanford University
Robert Korajczyk, Northwestern University

11:10 - 12:20 p.m. **GOVERNMENT BONDS** - Room 204

Chair: Michael Hopewell, University of Oregon

"Transaction Costs and Taxation of Capital Gains as Impediments to Arbitrage Pricing: A Study of Government Bonds with the Same Maturity Date," Jacques Rolfo, The World Bank and Robert H. Litzenberger, Stanford University.
"Price Volatility of Discount Treasury Bonds," R.H. Gilmer, Jr. and Duane Stock, University of Oklahoma.

Discussants: Alan Hess, University of Washington
Eric Sorensen, University of Arizona

INFORMATION CONTENT OF FUTURES PRICES - Room 207

Chair: James W. Hoag, University of California-Berkeley

"The Effects of Non-Price Market Data on Futures Prices," Ravi Jagannathan, Northwestern University and Thomas R. Palfrey, Carnegie-Mellon University.
"Orange Juice and Weather," Richard Roll, University of California-Los Angeles.

Discussants: Oded Sarig, Columbia University
James W. Hoag, University of California-Berkeley

12:30 - 2:30 p.m. **Annual Meeting and Luncheon**
Distinguished Speaker: **"Some Unresolved Problems in International Finance,"** Richard Roll, University of California-Los Angeles.

2:30 - 4:20 p.m. **NEW ISSUES AND INVESTMENT BANKING** - Room 204

Chair: Hans R. Stoll, Vanderbilt University

"The 'Hot Issues' Market," Jay R. Ritter, University of Pennsylvania.
"SEC Rule 415 — The Ultimate Competitive Bid," David Kidwell, University of Tennessee, Wayne Marr and G. Rodney Thompson, Virginia Polytechnic Institute and State University.

"Shelf Registrations and the Cost of New Debt Capital," Robert Rogowski, Washington State University and Eric Sorensen, University of Arizona.

Discussants: Robert Heinkel, University of British Columbia
Theodore E. Day, Vanderbilt University
Kenneth Dunn, Carnegie-Mellon University

EFFICIENCY OF FOREIGN EXCHANGE MARKETS - Room 205

Chair: Alan C. Shapiro, University of Southern California

"On the Mutual Consistency of the Unbiased Expectations Hypothesis Interest Rate Parity, and the Random Walk Model in Foreign Exchange Rates," Anil K. Aggarwal, James W. McFarland, R. Richardson Pettit and Steve Wyatt, University of Houston.
"Exchange Rates and the Information Content of Money Supply Annoncements, John Doukas, Concordia University and Melhem Melhem, Hofstra University.
"Forward Exchange Rates as Predictors of Future Spot Rates: A Comparison of the OLS and Maximum Likelihood Stable Regression," Huston J. McCulloch, Ohio State University and Jacky C. So Southern Illinois University.

Discussants: Aris Protopapadakis, University of Pennysivania
Rene Stulz, Ohio State University
J. Kimball Dietrich, University of Southern California

OPTION PRICING - Room 206

Chair: Robert Geske, University of California-Los Angeles

"Pricing Complex Options: Echo Bay Ltd. Gold Purchase Warrants," Phelim P. Boyle and Eric F. Kirzner, University of Waterloo.
"Semimartingales and Arbitrage: Robustness and Stability of the Option Pricing Formula," J.L. Denny and Gerry L. Suchanek, University of Arizona.
"On the Robustness of the Black-Scholes Option Pricing Model with Respect to Security Price Process Misspecification," C.A. Ball and W.N. Torous, University of Michigan.

Discussants: Herb E. Johnson, University of California-Los Angeles
David Emanuel, University of Texas at Dallas
George S. Oldfield, Cornell University

[...]ED SESSION: DIVIDEND POLICY: STATE OF THE ART AFTER 25 YEARS OF RESEARCH - Room 207

Chair: Richard S. Bower, Dartmouth College
Panelists: Gary Cypress, Signal Companies, Inc.
Jonathan Ingersoll, Yale University
Robert H. Litzenberger, Stanford University
Myron Scholes, Stanford University
Robert Smelick, First Boston Corporation

SATURDAY, JUNE 23

8:30 - 10:20 a.m. **ASYMMETRIC INFORMATION AND DEBT CONTRACTS** - Room 204

Chair: Robert Heinkel, University of British Columbia

"Information Content of Debt Covenants," Avner Kalay and Kose John, New York University.

"Competition, Collateral and Rationing," David Besanko, Indiana University and Anjan V. Thakor, Northwestern University.

"Moral Hazard in Commercial Lending: An Empirical Examination," Roy J. Gardner, Indiana University, Roger D. Stover and R. Kenneth Teas, Iowa State University.

Discussants: Lemma Senbet, University Wisconsin-Madison
Chester S. Spatt, Carnegie-Mellon University
Dennis W. Draper, University of Southern California

CORPORATE BONDS - Room 205

Chair: Michael D. Joehnk, Arizona State University

"The Role of Bonds in a Partially Observable Economy," Uri Dothan, University of Minnesota and David Feldman, Vanderbilt University.

"An Analysis of Secured Debt," Herb Johnson, University of California, Los Angeles and Rene M. Stulz, Ohio State University.

"A Strategic Analysis of Pricing of Corporate Debt: The Sinking Fund Bond Game," Kenneth B. Dunn and Chester S. Spatt, Carnegie-Mellon University.

Discussants: Richard J. Sweeney, Claremont McKenna College
James R. Booth, Arizona State University
Andrew Kalotay, Salomon Brothers

SEASONALITIES IN STOCK RETURNS - Room 206

Chair: Richard J. Rogalski, Dartmouth College

"Volume, Price and Rate of Return for Active and Inactive Stocks with Application to Turn-of-the-year Behavior," Joseph Lakonishok, Tel Aviv University and Seymour Smidt, Cornell University.

"Why Are Returns High in January? An Examination of the Tax Loss Selling Hypothesis," W.M. van den Bergh and R.E. Wessels, Erasmus University.

"Day of the Week Effects in Stock Returns: Some Intraday Evidence," Michael Smirlock, University of Pennsylvania and Laura Starks, Washington University.

Discussants: Marc Reinganum, University of Southern California
G. Barone-Adesi, University of Alberta
Terry Marsh, Massachusetts Institute of Technology

CONSUMPTION BASED VALUATION MODELS - Room 207

Chair: Nai-Fu Chen, University of Chicago

"State-of-the-Business-Cycle Effects in Consumption-Based Asset Pricing Relations," Wayne Ferson, University of Pennsylvania and John J. Merrick, Jr., New York University.

"Preference Restrictions, Asset Returns and Consumption," Richard C. Green and Sanjay Srivastava, Carnegie-Mellon University.

"A New Representation of Nonmarketable Assets: Implications for the Consumption Correlatedness Model," David P. Brown, Indiana University.

Discussants: David Modest, Stanford University
George Constantinides, University of Chicago
Rene Stulz, Ohio State University

10:30 - 12:20 p.m. **LEASING** - Room 204

Chair: Maclyn L. Clouse, University of Denver

"Taxable Capacity and Leasing," Stewart Hodges, London Business School.

"The Determination of Yields on Equipment Leasing Contracts," Ramon Johnson, Ronald Lease, University of Utah, John J. McConnell and James Schallheim, Purdue University.

"Financial Leasing Under Inflation," Shalom Hochman and Ramon Rabinovitch, University of Houston.

Discussants: Paul R. Allen, Louisiana State University
David Dubofsky, Texas A & M University
Marc Choate, Willamette University

CAPITAL STRUCTURE - Room 205

Chair: Lemma Senbet, University of Wisconsin-Madison

"Moral Hazard and Adverse Selection: The Question of Capital Structure," Neal M. Stoughton, University of British Columbia.

"On the Interactions of Real and Financial Decisions of the Firm Under Uncertainty," Amihud Dotan, Tel Aviv University and S. Abraham Ravid, Haifa University.

"Announcement Effects of Withdrawn Security Offerings on the Wealth Redistribution Hypothesis," Dennis T. Officer and Richard L. Smith, Arizona State University.

Discussants: Kose John, New York University
Robert Heinkel, The University of British Columbia
Andrew H. Chen, Southern Methodist University

TERM STRUCTURE OF INTEREST RATES - Room 206

Chair: George Constantinides, University of Chicago

"Alternative Specifications of Tax Models in the Term Structure of Interest Rates," J. Stephen Smoot and Terence C. Langetieg, University of Southern California.

"A Two-Factor Model of the Term Structure: An Approximate Analytical Solution," Stephen Schaefer, London Business School and Eduardo Schwartz, University of British Columbia.

"Moral Hazard, Informational Asymmetry and the Term Structure of Default Free Government Obligations," Fred R. Kaen, University of New Hampshire and Robert E. Rosenman, Washington State University.

Discussants: Kenneth Dunn, Carnegie Mellon University
Jonathan Ingersoll, Yale University
Chester Spatt, Carnegie Mellon University

FREQUENCY OF TRADING AND STOCK RETURNS - Room 207

Chair: R. Richardson Pettit, University of Houston

"Nontrading and Stock Price Dynamics," Terry A. Marsh, Massachusetts Institute of Technology and Eric R. Rosenfeld, Harvard University.

"Transactions Data Tests of the Mixture of Distributions Hypothesis," Lawrence Harris, University of Southern California.

"Nonsynchronous Trading and Beta Estimation," Thomas H. McInish, University of Texas at Arlington and Robert A. Wood, Pennsylvania State University.

Discussants: Robert Jarrow, Cornell University
Nancy Jacob, University of Washington
Ramon Rabinovitch, University of Houston

Call for Papers and Participants

1985 ANNUAL MEETINGS OF THE WESTERN FINANCE ASSOCIATION
June 19-22, 1985
CAMELBACK INN IN SCOTTSDALE, ARIZONA

Members and friends of the Western Finance Association are invited to submit papers to be considered for presentation at the 1985 Annual Meetings. Papers on any topic related to financial economics will be considered.

Submission of Papers

Send four copies of the paper to the program chairman no later than November 25, 1984. While we prefer a completed paper, in its absence we will consider a lengthy and detailed abstract. After the papers are reviewed, the authors will be notified in January, 1985, of the program committee's decision. Please attach a separate sheet indicating the author's name(s), affiliations(s), the title of the paper, and whether you would be willing to serve as a discussant or as a session chairman. All completed papers received will be considered for publication in the December issue of the **Journal of Financial and Quantitative Analysis.**

Other Participants

Individuals willing to serve as session chairmen or as discussants should write directly to the program chairman indicating their fields of interest.

Trefftzs Award

This announcement is also a call for student papers to be considered for the Annual Trefftzs Award. These papers should also be sent to the program chairman, with a cover letter indicating that they are student papers and should be considered for the Trefftzs Award.

All papers and communications pertaining to participation in the program should be sent by November 25, 1984 to:

Professor Alan Kraus
Program Chairman, WFA
Faculty of Commerce
and Business Administration
University of British Columbia
Vancouver, B.C. V6T 1Y8
CANADA

Index of Program Participants