2008 Sharpe Award Winners

Institutional versus Individual Investment in IPOs: The Importance of Firm Fundamentals
Laura Casares Field and Michelle Lowry

A Joint Framework for Consistently Pricing Interest Rates and Interest Rate Derivatives
Massoud Heidari and Liuren Wu

Capital Market Imperfections and the Sensitivity of Investment to Stock Prices
Alexei V. Ovtchinnikov and John J. McConnell

Managers' and Investors' Responses to Media Exposure of Board Ineffectiveness
Jennifer R. Joe, Henock Louis, and Dahlia Robinson

Dynamic Style Preferences of Individual Investors and Stock Returns
Alok Kumar

Testing the Elasticity of Corporate Yield Spreads
Gady Jacoby, Rose C. Liao, and Jonathan A. Batten

The Role of the Media in the Internet IPO Bubble
Utpal Bhattacharya, Neal Galpin, Rina Ray, and Xiaoyun Yu

Sudden Deaths: Taking Stock of Geographic Ties
Mara Faccio and David C. Parsley

Probability Judgment Error and Speculation in Laboratory Asset Market Bubbles
Lucy F. Ackert, Narat Charupat, Richard Deaves, and Brian D. Kluger
2008 Sharpe Award Winners

Institutional versus Individual Investment in IPOs: The Importance of Firm Fundamentals ......................................................... 489
Laura Casares Field and Michelle Lowry

A Joint Framework for Consistently Pricing Interest Rates and Interest Rate Derivatives .................................................. 517
Massoud Heidari and Liuren Wu

Capital Market Imperfections and the Sensitivity of Investment to Stock Prices .......................................................... 551
Alexei V. Ovtchinnikov and John J. McConnell

Managers’ and Investors’ Responses to Media Exposure of Board Ineffectiveness ......................................................... 579
Jennifer R. Joe, Henock Louis, and Dahlia Robinson

Dynamic Style Preferences of Individual Investors and Stock Returns .................. 607
Alok Kumar

Testing the Elasticity of Corporate Yield Spreads ................................................. 641
Gady Jacoby, Rose C. Liao, and Jonathan A. Batten

The Role of the Media in the Internet IPO Bubble ........................................ 657
Utpal Bhattacharya, Neal Galpin, Rina Ray, and Xiaoyun Yu

Sudden Deaths: Taking Stock of Geographic Ties ........................................ 683
Mara Faccio and David C. Parsley

Probability Judgment Error and Speculation in Laboratory Asset Market Bubbles ......................................................... 719
Lucy F. Ackert, Narat Charupat, Richard Deaves, and Brian D. Kluger
JOURNAL OF FINANCIAL AND QUANTITATIVE ANALYSIS

PHONE: (206) 543-4598 University of Washington
FAX: (206) 616-1894 Michael G. Foster School of Business
E-MAIL: jfqa@uw.edu 115 Lewis Box 353200
URL: http://www.jfqa.org Seattle, WA 98195-3200 USA

VOL. 44, NO. 3, JUNE 2009

PURPOSE AND FOCUS

The Journal of Financial and Quantitative Analysis (JFQA) publishes theoretical and empirical research in financial economics. Topics include corporate finance, investments, capital and security markets, and quantitative methods of particular relevance to financial researchers. Opinions expressed in the JFQA are those of the authors and do not necessarily reflect those of the University of Washington Foster School of Business. For submissions queries, please write, call, fax, or e-mail the JFQA office. For all other information related to the journal, please contact Cambridge Journals Customer Services: Cambridge University Press, 100 Brook Hill Drive, West Nyack, NY 10994-2133, USA. http://journals.cambridge.org/jfqa

SUBMISSIONS

www.editorialmanager.com/jfqa

It is JFQA policy to give prompt attention to all submitted manuscripts. Consistent with this policy, honoraria are paid to referees who provide timely reviews. Submit manuscripts online (www.editorialmanager.com/jfqa) with a $220 submission fee for authors with a current individual subscription. Checks must be payable to the JFQA in U.S. dollars for deposit in a U.S. bank. VISA, MasterCard, and American Express are accepted. Manuscripts are considered for publication on the understanding that they have not been previously published in whole or in part, and are not being simultaneously considered for publication elsewhere.

SUBSCRIPTIONS

http://journals.cambridge.org/jfqa

For individuals or institutions interested in a single journal subscription in 2009, please contact Cambridge Journals Customer Services. In the U.S., Canada, or Mexico, subscription fees are payable in U.S. dollars: journals_subscriptions@cambridge.org. Elsewhere in the world, subscription fees are payable in U.K. pounds sterling: journals@cambridge.org

2009 Annual Subscription Fees

<table>
<thead>
<tr>
<th>Category</th>
<th>Access Type</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational</td>
<td>Online &amp; Print</td>
<td>£175.00 / $350.00</td>
</tr>
<tr>
<td>Organizational</td>
<td>Online only</td>
<td>£150.00 / $300.00</td>
</tr>
<tr>
<td>Individual</td>
<td>Online &amp; Print</td>
<td>£40.00 / $80.00</td>
</tr>
<tr>
<td>Individual</td>
<td>Print only</td>
<td>£35.00 / $70.00</td>
</tr>
<tr>
<td>Individual</td>
<td>Online only</td>
<td>£30.00 / $60.00</td>
</tr>
</tbody>
</table>

RIGHTS AND PERMISSIONS

All rights reserved. No part of this publication may be reproduced, in any form or by any means, electronic, photocopying, or otherwise, without permission in writing from Cambridge University Press. General enquiries from the USA, Mexico, and Canada should be addressed to the New York office of Cambridge University Press http://www.cambridge.org/us/information/rights/contacts/newyork.htm; general enquiries from elsewhere should be addressed to the Cambridge office http://www.cambridge.org/uk/information/rights/contacts/cambridge.htm; permission enquiries from Australia and New Zealand should be addressed to the Melbourne office http://www.cambridge.org/aus/information/contactmelbourne.htm; enquiries regarding Spanish-language translation rights (only) should be addressed to the Madrid office http://www.cambridge.org/uk/information/rights/contacts/madrid.htm. Photocopying Information (for users in the U.S.A.): Copying for internal or personal use beyond that permitted by Sec. 107 or 108 of the U.S. Copyright Law is authorized for users duly registered with the Copyright Clearance Center (CCC), provided that the appropriate remittance is paid directly to: CCC, 222 Rosewood Drive, Danvers, MA 01923 U.S.A. Specific written permission must be obtained for all other copying; contact the nearest Cambridge University Press office.
Announcing the Winners of the JFQA 2008 William F. Sharpe Best Paper Award

The William F. Sharpe Award for Scholarship in Financial Research recognizes researchers who, through their articles published in the JFQA, have most contributed to our understanding of important areas of financial economics. Nominees for the Sharpe Award are chosen by a vote of JFQA readers and Associate Editors; the winner(s), who receive a $5,000 cash prize, is (are) selected by the Associate Editors.

The winners of the Sharpe Award for JFQA papers published in 2008 are

Jonathan M. Karpoff, *University of Washington*
D. Scott Lee, *Texas A&M University*
Gerald S. Martin, *American University*

“The Cost to Firms of Cooking the Books”

Please join us in congratulating Professors Karpoff, Lee, and Martin for their accomplishments.

Hendrik Bessembinder
Stephen Brown
Paul Malatesta
JFQA Managing Editors