Forthcoming Articles

The following papers have been accepted for publication in future issues:

The Value of Trading Consolidation: Evidence from the Exercise of Warrants
Yakov Amihud, Beni Lauterbach, and Haim Mendelson

Hedge Fund Performance 1990–2000: Do the “Money Machines” Really Add Value?
Gaurav S. Amin and Harry M. Kat

Partial Adjustment to Public Information and IPO Underpricing
Daniel J. Bradley and Bradford D. Jordan

Cross-Hedging with Currency Options and Futures
Eric C. Chang and Kit Pong Wong

Option Pricing in a Multi-Asset, Complete-Market Economy
Ren-Raw Chen, San-Lin Chung, and Tyler T. Yang

The Valuation of Default-Triggered Credit Derivatives
Ren-Raw Chen and Ben J. Sopranzetti

Pricing American Options on Foreign Assets in a Stochastic Interest Rate Economy
San-Lin Chung

The Determinants of the Flow of Funds of Managed Portfolios: Mutual Funds vs. Pension Funds
Diane Del Guercio and Paula A. Tkac

The Performance of Multi-Factor Term Structure Models for Pricing and Hedging Caps and Swaptions
Joost Driessen, Pieter Klaassen, and Bertrand Melenberg

Is There Really a When-Issued Premium?
John R. Ezzell, James A. Miles, and J. Harold Mulherin

Market Structure and Trader Anonymity: An Analysis of Insider Trading
Jon A. Garfinkel and M. Nimalendran

The Impact of Minimum-Trading-Units on Stock Value and Price Volatility
Shmuel Hauser and Beni Lauterbach

Pricing Treasury Inflation Protected Securities and Related Derivatives using an HJM Model
Robert A. Jarrow and Yildiray Yildirim

Financial Advisors and Shareholder Wealth Gains in Corporate Takeovers
Jayant R. Kale, Omesh Kini, and Harley E. Ryan, Jr.

Returns-Chasing Behavior, Mutual Funds, and Beta’s Death
Jason Karceski

A Multifactor Explanation of Post-Earnings-Announcement Drift
Dongcheol Kim and Myung-Sun Kim

(continued on next page)
An Empirical Examination of Call Option Values Implicit in U.S. Corporate Bonds
Tao-Hsien Dolly King

Connie X. Mao

Does Market Structure Affect the Immediacy of Stock Price Responses to News?
Ronald W. Masulis and Lakshmanan Shivakumar

Do Persistent Large Cash Reserves Hinder Performance?
Wayne H. Mikkelson and M. Megan Partch

Pricing Bounds on Asian Options
J. Aase Nielsen and Klaus Sandmann

Reputation and the Market for Distressed-Firm Debt
Thomas H. Noe and Michael J. Rebello

Do Momentum Based Strategies Still Work in Foreign Currency Markets?
John Okunev and Derek White

Risk Premia and the Dynamic Covariance between Stock and Bond Returns
John T. Scruggs and Paskalis Glabadanidis

On the Impossibility of Weak-Form Efficient Markets
Steve L. Slezak

Does Coordinated Institutional Investor Activism Reverse the Fortunes of Underperforming Firms?
Wei-Ling Song, Samuel H. Szewczyk, and Assem Safieddine

The Clustering of IPO Gross Spreads: International Evidence
Sami Torstila
new from the mit press

now in paperback
The Venture Capital Cycle
Paul Gompers and Josh Lerner

"Will become the standard reference on venture finance, and, hopefully, a catalyst in a new wave of corporate law research, . . . An academic achievement of the first order." — Michael Whincop, Companies & Securities Law Journal (Australia)
385 pp., 15 illus. $32.95 paper

To order call 800-405-1619.
Prices subject to change without notice.
http://mitpress.mit.edu

The Econometrics of Corporate Governance Studies
Sanjai Bhagat and Richard H. Jefferis, Jr.

"A valuable set of perspectives from many of the leading scholars in finance on financial systems in transition economies." — Andrei Shleifer, Harvard University
128 pp. $24

now in paperback
The Theory of Incomplete Markets
Volume 1
Michael Magill and Martine Quinzii

"A very thorough book which contains an excellent introduction into some recent research in the active area of incomplete markets." — T. Hens, Journal of Economics
558 pp., 25 illus. $45 paper

2000 PACAP® DATABASES AVAILABLE FOR SUBSCRIPTION

The 2000 PACAP® Databases for Hong Kong, Indonesia, Japan, Korea, Malaysia, Singapore, Taiwan, and Thailand are now available for subscription from the PACAP Research Center at the University of Rhode Island. These databases provide over 20 years of securities data from January 1975 to December 1999. All listed companies on the major stock exchange of each country are included, and a common format is applied to all countries for ease of comparison. The Databases are maintained in collaboration with the Asia-Pacific Financial Markets Research Center of the University of Hawaii.

Each country’s database is supplied on CD-ROM or diskettes and contains 12 files: Company Files; Daily & Monthly Stock Prices and Returns Files; Daily & Monthly Indices Files; Daily & Monthly Market Returns Files; Capital Distributions Files; Annual Financial Statements Files; Daily Foreign Exchange Rate Files; Calendar Files; and Key Economic Statistics Files.

For pricing information please visit our web site www.cba.uri.edu/PACAP

PACAP Research Center, University of Rhode Island
Lippitt Road, Kingston, RI 02881-0802, USA
Phone: (1-401)874-5105  Fax: (1-401)874-5550  E-Mail: pacapd@etal.uri.edu
JFQA Style Requirements

Electronic submissions in PDF files are welcome or laser-quality manuscripts may be submitted in quadruplicate on 8.5" x 11" paper. The cover page must show title, author name(s) and affiliation(s), e-mail address(es), and work phone number(s). The first page of text should include the title and a one-paragraph abstract of no more than 100 words. Manuscripts must be double-spaced on one side of the page. All sections of the paper, beginning with the introduction and ending with a conclusion or summary, must be numbered with Roman numerals. Subsection headings must be lettered A, B, C, etc.

The manuscript should explain its relation to other research in the field, especially recently published material. References cited in the text should be noted by the last name(s) of the author(s) followed by the publication year enclosed in parentheses without punctuation: Smith (1988). When a particular page, section, or equation is referred to, the reference also should be placed within parentheses: (Smith and Jones (1988), p. 222), (Green (1988a), eq. 3).

Lengthy mathematical proofs and extensive tables should be placed in an appendix or omitted from the manuscript entirely. In the latter case, the author may indicate in a footnote that proofs or tables are available on request. The author should make every effort to explain the meaning of mathematical proofs.

The author should check the manuscript for clarity, grammar, spelling, and punctuation to minimize editorial changes and the necessity of extensive corrections at the proof stage. All abbreviations must be defined.

Equations. All but very short mathematical expressions should be displayed on a separate line and centered. Important displayed equations must be identified by consecutive Arabic numerals in parentheses on the left. Expressions should be aligned and subscripts and superscripts clearly marked to avoid confusion.

Tables. Each table must be titled and numbered consecutively with Arabic numerals. Please check the text to make sure there is a reference to each table. General footnotes should be marked a, b, c, etc., for specific footnotes. Asterisks * or ** indicate significance at the 5% and 1% levels, respectively. The author should check tables to be sure that totals are correct and that the title, column headings, and footnotes clearly explain the content of the table. If tables are on separate pages at the end of the article, indicate approximate placement within the text.

Figures. Figures must be titled and numbered consecutively with Arabic numerals. Captions should present sufficient information to describe the purpose of the figure. Figures for accepted manuscripts must be of professional quality and ready for reproduction.

Footnotes. Footnotes must be double-spaced. Footnotes must not be used for the purpose of citation. Footnotes with extensive content should be avoided.

References. All works cited in the text must be alphabetically arranged in a double-spaced list at the end of the manuscript. Examples:


The Journal of Financial and Quantitative Analysis (JFQA) is published quarterly in March, June, September, and December by the School of Business Administration at the University of Washington in Seattle, Washington, U.S.A. Topics include corporate finance, investments, capital and security markets, and quantitative methods of particular relevance to financial researchers. With a circulation of 3200 libraries, firms, and individuals in 70 nations, the JFQA serves an international community of sophisticated finance scholars—academics and practitioners alike. The JFQA prints 10 to 12% of the more than 400 unsolicited manuscripts submitted annually. An intensive blind review process and exacting editorial standards contribute to the JFQA's reputation as a top finance journal.

Payment in advance is required. Checks or money orders must be payable to the JFQA in U.S. dollars for deposit in a U.S. bank. Subscriptions start with the next available issue unless otherwise requested. Upon request, electronic subscriptions are available in PDF files. Claims for missing issues must be made within six months of the publication date.

To inquire about permission to reprint or the availability of specific back issues (at a cost of $20 per copy), contact the JFQA office.

<table>
<thead>
<tr>
<th>U.S.</th>
<th>International</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Library or Firm</td>
<td>$95</td>
<td>$100</td>
</tr>
<tr>
<td>Individual</td>
<td>$50</td>
<td>$55</td>
</tr>
<tr>
<td>Student (with verification)</td>
<td>$25</td>
<td>$30</td>
</tr>
<tr>
<td>International Airmail</td>
<td>$30</td>
<td></td>
</tr>
<tr>
<td>Total Amount Paid</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Please start subscription with the □ March □ June □ Sept □ Dec issue.

Name ________________________________
Company ________________________________
Address ________________________________
City __________________ State ___________ ZIP ___________
Country ____________________________ E-mail __________________
Phone __________________ Fax __________________

Payment made by: □ Check □ VISA □ MasterCard □ American Express
Account No. ___________________________ Exp. Date ___________
Cardholder’s Name ___________________________ Signature __________________ Date ___________

Journal of Financial and Quantitative Analysis
University of Washington
School of Business Administration
115 Lewis
Box 353200
Seattle, WA 98195-3200 U.S.A.

Phone: (206) 543-4598
Fax: (206) 616-1894

Federal Identification No.: 91-6001537 ISSN: 0022-1090

E-mail: jfqa@jfqa.org URL: http://www.jfqa.org

Office Use Only

Chk # _____________
CT _____________
Iss _____________

https://doi.org/10.1017/S0022109000001502 Published online by Cambridge University Press
Option Value, Uncertainty, and the Investment Decision
Eugene Kandel and Neil D. Pearson

Daily Momentum and Contrarian Behavior of Index Fund Investors
William N. Goetzmann and Massimo Massa

Information-Based Trading in Dealer and Auction Markets: An Analysis of Exchange Listings
Hans G. Heidie and Roger D. Huang

Price Leadership in the Spot Foreign Exchange Market
Stephen G. Sapp

Preferencing, Internalization of Order Flow, and Tacit Collusion: Evidence from Experiments
Brian D. Kluger and Steve B. Wyatt

Risk-Neutral Skewness: Evidence from Stock Options
Patrick Dennis and Stewart Mayhew

International Cross-Listing and Visibility
H. Kent Baker, John R. Nofsinger, and Daniel G. Weaver