Forthcoming Articles

Spillover Effects among Financial Institutions: A State-Dependent Sensitivity Value-at-Risk (SDSVaR) Approach
Zeno Adams, Roland Füss, and Reint Gropp

Does the Location of Directors Matter? Information Acquisition and Board Decisions
Zinat S. Alam, Mark A. Chen, Conrad S. Ciccotello, and Harley E. Ryan, Jr.

Trust, Investment, and Business Contracting
James S. Ang, Yingmei Cheng, and Chaopeng Wu

The Effects of Securities Class Action Litigation on Corporate Liquidity and Investment Policy
Matteo Arena and Brandon Julio

Bribe Payments and Innovation in Developing Countries: Are Innovating Firms Disproportionately Affected?
Meghana Ayyagari, Asli Demirgüç-Kunt, and Vojislav Maksimovic

Does Increased Competition Affect Credit Ratings? A Reexamination of the Effect of Fitch’s Market Share on Credit Ratings in the Corporate Bond Market
Kee-Hong Bae, Jun-Koo Kang, and Jin Wang

The Stock-Bond Return Relation, the Term-Structure’s Slope, and Asset-Class Risk Dynamics
Naresh Bansal, Robert A. Connolly, and Chris Stivers

Analyst Disagreement and Aggregate Volatility Risk
Alexander Barinov

Beyond the Carry Trade: Optimal Currency Portfolios
Pedro Barroso and Pedro Santa-Clara

How Important Is Financial Risk?
Söhnke M. Bartram, Gregory W. Brown, and William Waller

Acquirer Valuation and Acquisition Decisions: Identifying Mispricing Using Short Interest
Itzhak Ben-David, Michael S. Drake, and Darren T. Roulstone

The Diminishing Liquidity Premium
Azi Ben-Rephael, Ohad Kadan, and Avi Wohl

Changing the Nexus: The Evolution and Renegotiation of Venture Capital Contracts
Ola Bengtsson and Berk A. Sensoy

Firm Mortality and Natal Financial Care
Utpal Bhattacharya, Alexander Borisov, and Xiaoyun Yu

The Role of Government in the Labor-Creditor Relationship: Evidence from the Chrysler Bankruptcy
Bradley Blaylock, Alexander Edwards, and Jared Stanfield

Related Securities and Equity Market Quality: The Case of CDS
Ekkehart Boehmer, Sudheer Chava, and Heather E. Tookes

Stock Return Predictability and Variance Risk Premia: Statistical Inference and International Evidence
Tim Bollerslev, James Marrone, Lai Xu, and Hao Zhou

Religion and Stock Price Crash Risk
Jeffrey L. Callen and Xiaohua Fang

Leaders, Followers, and Risk Dynamics in Industry Equilibrium
Murray Carlson, Engelbert J. Dockner, Adlai Fisher, and Ron Giammarino

Keynes the Stock Market Investor: A Quantitative Analysis
David Chambers, Elroy Dimson, and Justin Foo

Informational Content of Options Trading on Acquirer Announcement Return
Konan Chan, Li Ge, and Tse-Chun Lin

Suitability Checks and Household Investments in Structured Products
Eric C. Chang, Dragon Yongjun Tang, and Miao (Ben) Zhang

Managerial Entrenchment and Firm Value: A Dynamic Perspective
Xin Chang and Hong Feng Zhang

Institutional Investors and the Information Production Theory of Stock Splits
Thomas J. Chemmanur, Gang Hu, and Jiekun Huang

(continued on next page)
Forthcoming Articles (continued)

Communicating Private Information to the Equity Market before a Dividend Cut: An Empirical Analysis
Thomas J. Chemmanur and Xuan Tian

The Sarbanes-Oxley Act, Earnings Management, and Post-Buyback Performance of Open-Market Repurchasing Firms
Sheng-Syan Chen and Chia-Wei Huang

Transparency and Financing Choices of Family Firms
Tai-Yuan Chen, Sudipto Dasgupta, and Yangxin Yu

Bonus-Driven Repurchases
Yingmei Cheng, Jarrad Harford, and Tianming (Tim) Zhang

Managed Distribution Policies in Closed-End Funds and Shareholder Activism
Martin Cherkes, Jacob S. Sagi, and Z. Jay Wang

Momentum Effect as Part of a Market Equilibrium
Seung Mo Choi and Hwagyun Kim

The Economic Value of Realized Volatility: Using High-Frequency Returns for Option Valuation
Peter Christoffersen, Bruno Feunou, Kris Jacobs, and Nour Meddahi

A Synthesis of Two Factor Estimation Methods
Gregory Connor, Robert A. Korajczyk, and Robert T. Uhlman

Improving Portfolio Selection Using Option-Implied Volatility and Skewness
Victor DeMiguel, Yuliya Plyakha, Raman Uppal, and Grigory Vilkov

Creating Value by Changing the Old Guard: The Impact of Controlling Shareholder Heterogeneity on Firm Performance and Corporate Policies
Hua Deng, Fariborz Moshirian, Peter Kien Pham, and Jason Zein

Shareholder Litigation, Reputational Loss, and Bank Loan Contracting
Saiying Deng, Richard H. Willis, and Li Xu

Investor Horizons and Corporate Policies
François Derrien, Ambrus Kecskés, and David Thesmar

Portfolio Concentration and Firm Performance
Anders Ekholm and Benjamin Maury

The Cross-Section of Recovery Rates and Default Probabilities Implied by Credit Default Swap Spreads
Redouane Elkamhi, Kris Jacobs, and Xuhui Pan

Dynamic Capital Structure Adjustment and the Impact of Fractional Dependent Variables
Ralf Elsas and David Florysiak

Taxes and Capital Structure
Mara Faccio and Jin Xu

Do Better-Connected CEOs Innovate More?
Olubunmi Faleye, Tunde Kovacs, and Anand Venkateswaran

On the Importance of Golden Parachutes
Eliezer M. Fich, Anh L. Tran, and Ralph A. Walkling

Individual Investors and Broker Types
Kingsley Y. L. Fong, David R. Gallagher, and Adrian D. Lee

Foreign Currency Returns and Systematic Risks
Victoria Galsband and Thomas Nitschka

Where Have All the IPOs Gone?
Xiaohui Gao, Jay R. Ritter, and Zhongyan Zhu

A Model-Free Measure of Aggregate Idiosyncratic Volatility and the Prediction of Market Returns
Rene Garcia, Daniel Mantilla-Garcia, and Lionel Martellini

Taking the Twists into Account: Predicting Firm Bankruptcy Risk with Splines of Financial Ratios
Paolo Giordani, Tor Jacobson, Erik von Schedvin, and Mattias Villani

Debt Maturity Structure and Credit Quality
Radhakrishnan Gopalan, Fenghua Song, and Vijay Yerramilli

Mean Variance Portfolio Optimization with Sparse Inverse Covariance Matrix
Shingo Goto and Yan Xu

(continued on next page)
Forthcoming Articles (continued)

Treasury Bond Illiquidity and Global Equity Returns
Ruslan Goyenko and Sergei Sarkissian

On the Relation between EGARCH Idiosyncratic Volatility and Expected Stock Returns
Hui Guo, Haimanot (Haim) Kassa, and Michael F. Ferguson

Investing in the “New Economy”: Mutual Fund Performance and the Nature of the Firm
Swasti Gupta-Mukherjee

Industries and Stock Return Reversals
Allaudeen Hameed and G. Mujtaba Mian

Hindsight Effects in Dollar-Weighted Returns
Simon Hayley

Trading in the Options Market around Financial Analysts’ Consensus Revisions
Darren K. Hayunga and Peter P. Lung

Aggregate Earnings and Market Returns: International Evidence
Wen He and Maggie (Rong) Hu

Volume and Volatility in a Common Factor Mixture of Distributions Model
Xiaojun He and Raja Velu

Are Credit Default Swaps a Sideshow? Evidence That Information Flows from Equity to
CDS Markets
Jens Hilscher, Joshua M. Pollet, and Mungo Wilson

Recovering Delisting Returns of Hedge Funds
James E. Hodder, Jens Carsten Jackwerth, and Olga Kolokolova

Corporate Policies of Republican Managers
Irena Hutton, Danling Jiang, and Alok Kumar

Asset Specificity, Industry Driven Recovery Risk and Loan Pricing
Christopher James and Atay Kizilaslan

The Dynamics of Sovereign Credit Risk
Alexandre Jeanneret

The Strategic Listing Decisions of Hedge Funds
Philippe Jorion and Christopher Schwarz

Do Hedge Funds Reduce Idiosyncratic Risk?
Namho Kang, Péter Kondor, and Ronnie Sadka

Do Happy People Make Optimistic Investors?
Guy Kaplanski, Haim Levy, Chris Veld, and Yulia Veld-Merkouloua

You’re Fired! New Evidence on Portfolio Manager Turnover and Performance
Leonard Kostovetsky and Jerold B. Warner

Deviations from Norms and Informed Trading
Alok Kumar and Jeremy K. Page

The Role of Activist Hedge Funds in Financially Distressed Firms
Jongha Lim

Interest Rate Risk and the Cross-Section of Stock Returns
Abraham Lioui and Paulo Maio

Solvency Constraint, Under diversification, and Idiosyncratic Risks
Hong Liu

How Does the Market Value Toxic Assets?
Francis A. Longstaff and Brett W. Myers

Giants at the Gate: Investment Returns and Diseconomies of Scale in Private Equity
Florencio Lopez-de-Silanes, Ludovic Phalippou, and Oliver Gottschalg

Detecting Regime Shifts in Credit Spreads
Olfa Maalaoui Chun, Georges Dionne, and Pascal François

Dividend Yields, Dividend Growth, and Return Predictability in the Cross-Section of Stocks
Paulo Maio and Pedro Santa-Clara

(continued on next page)
Forthcoming Articles (continued)

A Servant to Many Masters: Competing Shareholder Preferences and Limits to Catering
Alberto Manconi and Massimo Massa

Investor Sentiment and Mutual Fund Strategies
Massimo Massa and Vijay Yadav

Managerial Incentives, Risk Aversion, and Debt
Andreas Milidonis and Konstantinos Stathopoulos

Financial Expertise of the Board, Risk Taking and Performance: Evidence from Bank Holding Companies
Bernadette A. Minton, Jérôme P. Taillard, and Rohan Williamson

The Post-Acquisition Returns of Stock Deals: Evidence of the Pervasiveness of the Asset Growth Effect
Sandra Mortal and Michael J. Schill

Success in Global Venture Capital Investing: Do Institutional and Cultural Differences Matter?
Rajarishi Nahata, Sonali Hazarika, and Kishore Tandon

Who Gains from Buying Bad Bidders?
David Offenberg, Miroslava Straska, and Gregory Waller

Real Asset Illiquidity and the Cost of Capital
Hernán Ortiz-Molina and Gordon M. Phillips

Capital Structure Decisions around the World: Which Factors Are Reliably Important?
Özde Öztekin

Social Influence in the Housing Market
Carrie H. Pan and Christo A. Pirinsky

Inside Debt and Mergers and Acquisitions
Hieu V. Phan

Future Lending Income and Security Value
Melissa Porras Prado

Dividend Predictability around the World
Jesper Rangvid, Maik Schmeling, and Andreas Schrimpf

Director Histories and the Pattern of Acquisitions
Peter L. Rousseau and Caleb Stroup

Corporate Governance and Innovation: Theory and Evidence
Haresh Sapra, Ajay Subramanian, and Krishnamurthy Subramanian

Once Burned, Twice Shy: Money Market Fund Responses to a Systemic Liquidity Shock
Philip E. Strahan and Başak Tanyeri

Antitakeover Provisions and Shareholder Wealth: A Survey of the Literature
Miroslava Straska and Gregory Waller

The Role of Growth Options in Explaining Stock Returns
Lenos Trigeorgis and Neophytoos Lambertides

The Enterprise Multiple Investment Strategy: International Evidence
Christian Walkshäusl and Sebastian Lobe

Industry Expertise of Independent Directors and Board Monitoring
Cong Wang, Fei Xie, and Min Zhu

Does the Disposition Effect Matter in Corporate Takeovers? Evidence from Institutional Investors of Target Companies
Pengfei Ye
Fantastic Titles from Cambridge

**International Series on Actuarial Science**

**Actuarial Mathematics for Life Contingent Risks, 2nd Edition**
David C. M. Dickson, Mary R. Hardy, and Howard R. Waters
$89.00: Hardback: 978-1-107-04407-4: 616 pp.

**Solutions Manual for Actuarial Mathematics for Life Contingent Risks, 2nd Edition**
David C. M. Dickson, Mary R. Hardy, and Howard R. Waters

**Probability for Finance**
Ekkehard Kopp, Jan Malczak and Tomasz Zastawniak
*Mastering Mathematical Finance*

**Handbook of Financial Data and Risk Information**
2 Volume Hardback Set
*Edited by Margarita S. Brose, Mark D. Flood, Dilip Krishna, and Bill Nichols*

Prices subject to change.

www.cambridge.org
@cambUP_maths
Submit manuscripts online at www.jfqa.org. Manuscripts must be double-spaced and single-sided on 8.5" × 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. 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 from the author. 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:


Real Assets and Capital Structure
Murillo Campello and Erasmo Giambona

The Joint Dynamics of Equity Market Factors
Peter Christoffersen and Hugues Langlois

Market Development and the Asset Growth Effect: International Evidence
Sheridan Titman, K. C. John Wei, and Feixue Xie

A New Anomaly: The Cross-Sectional Profitability of Technical Analysis
Yufeng Han, Ke Yang, and Guofu Zhou

The Value of (Stock) Liquidity in the M&A Market
Massimo Massa and Moqi Xu

Why Do Hedge Funds Avoid Disclosure? Evidence from Confidential 13F Filings
George O. Aragon, Michael Hertzel, and Zhen Shi

Stock Price Jumps and Cross-Sectional Return Predictability
George J. Jiang and Tong Yao

Diversification in Private Equity Funds: On Knowledge Sharing, Risk Aversion, and Limited Attention
Mark Humphery-Jenner

Analyst Coverage, Information, and Bubbles
Sandro C. Andrade, Jiangze Bian, and Timothy R. Burch

R&D Spillover Effects and Firm Performance Following R&D Increases
Sheng-Syan Chen, Yan-Shing Chen, Woan-Ih Liang, and Yanzhi Wang

The Impact of Government Intervention in Banks on Corporate Borrowers’ Stock Returns
Lars Norden, Peter Roosenboom, and Teng Wang