

## Forthcoming Articles

### **The Optimal Use of Return Predictability: An Empirical Study**

Abhay Abhyankar, Devraj Basu, and Alexander Stremme

### **Do Overvaluation-Driven Stock Acquisitions Really Benefit Acquirer Shareholders?**

Mehmet E. Akbulut

### **Shareholders in the Boardroom: Wealth Effects of the SEC's Proposal to Facilitate Director Nominations**

Ali C. Akyol, Wei Fen Lim, and Patrick Verwijmeren

### **Analyst Coverage, Information, and Bubbles**

Sandro C. Andrade, Jiangze Bian, Timothy R. Burch

### **Futures Cross-Hedging with a Stationary Basis**

Stefan Ankirchner, Georgi Dimitroff, Gregor Heyne, and Christian Pigorsch

### **Sentiment and Momentum**

Constantinos Antoniou, John A. Doukas, and Avanidhar Subrahmanyam

### **Why Do Hedge Funds Avoid Disclosure? Evidence from Confidential 13F Filings**

George O. Aragon, Michael Hertzel, and Zhen Shi

### **Hedge Fund Return Predictability Under the Magnifying Glass**

Doron Avramov, Laurent Barras, and Robert Kosowski

### **The Credibility of Open Market Share Repurchase Signaling**

Ilona Babenko, Yuri Tserlukevich, and Alexander Vedrashko

### **Does Risk-Neutral Skewness Predict the Cross-Section of Equity Option Portfolio Returns?**

Turan G. Bali and Scott Murray

### **Aggregate Idiosyncratic Volatility**

Geert Bekaert, Robert J. Hodrick, and Xiaoyan Zhang

### **Paying Attention: Overnight Returns and the Hidden Cost of Buying at the Open**

Henk Berkman, Paul D. Koch, Laura Tuttle, and Ying Zhang

### **Director Ownership, Governance, and Performance**

Sanjai Bhagat and Brian Bolton

### **Validation of Default Probabilities**

Andreas Blöchlinger

### **The Shareholder Base and Payout Policy**

Andriy Bodnaruk and Per Östberg

### **Zero- $R^2$ Hedge Funds and Market Neutrality**

Nicolas P. B. Bollen

### **Cash Flow and Discount Rate Risk in Up and Down Markets: What Is Actually Priced?**

Mahmoud Botshekan, Roman Kraeusssl, and Andre Lucas

### **Liquidity Risk, Return Predictability, and Hedge Funds' Performance: An Empirical Study**

Rajna Gibson Brandon and Songtao Wang

### **The Value of Marriage to Family Firms**

Pramuan Bunkanwanicha, Joseph P. H. Fan, and Yupana Wiwattanakantang

### **Risk Management with Leverage: Evidence from Project Finance**

Soku Byoun, Jaemin Kim, and Sean Sehyun Yoo

### **Real Assets and Capital Structure**

Murillo Campello and Erasmo Giambona

### **The Role of Anchoring Bias in the Equity Market: Evidence from Analysts' Earnings**

#### **Forecasts and Stock Returns**

Ling Cen, Gilles Hilary, and K. C. John Wei

### **"Preparing" the Equity Market for Adverse Corporate Events: A Theoretical Analysis of Firms Cutting Dividends**

Thomas J. Chemmanur and Xuan Tian

### **Idiosyncratic Return Volatility and the Information Quality Underlying Managerial Discretion**

Changling Chen, Alan Guoming Huang, and Ranjini Jha

### **A First Look at Mutual Funds That Use Short Sales**

Honghui Chen, Hemang Desai, and Srinivasan Krishnamurthy

*(continued on next page)*

## Forthcoming Articles (continued)

### Sell-Side Information Production in Financial Markets

Zhaohui Chen and William J. Wilhelm, Jr.

### Executive Pay Disparity and the Cost of Equity Capital

Zhihong Chen, Yuan Huang, and K. C. John Wei

### The Prevalence of the Disposition Effect in Mutual Funds' Trades

Gjergji Cici

### Corporate Pension Plans as Takeover Deterrents

João F. Cocco and Paolo F. Volpin

### The Principal Principle

Sanjiv R. Das

### Nonmonetary Benefits, Quality of Life, and Executive Compensation

Xin Deng and Huasheng Gao

### Material Adverse Change Clauses and Acquisition Dynamics

David J. Denis and Antonio J. Macias

### Executive Compensation and Business Policy Choices at U.S. Commercial Banks

Robert DeYoung, Emma Y. Peng, and Meng Yan

### It Pays to Follow the Leader: Acquiring Targets Picked by Private Equity

Amy Dittmar, Di Li, and Amrita Nain

### Ownership Dynamics with Large Shareholders: An Empirical Analysis

Marcelo Donelli, Borja Larrain, and Francisco Urzúa

### Why Do Closed-End Bond Funds Exist? An Additional Explanation for the Growth in Domestic Closed-End Bond Funds

Edwin J. Elton, Martin J. Gruber, Christopher R. Blake, and Or Shachar

### CEO Overconfidence and International Merger and Acquisition Activity

Stephen P. Ferris, Narayanan Jayaraman, and Sanjiv Sabherwal

### Leverage Expectations and Bond Credit Spreads

Mark J. Flannery, Stanislava (Stas) Nikolova, and Özde Öztekin

### Loss Allocation in Securitization Transactions

Günter Franke, Markus Herrmann, and Thomas Weber

### Heterogeneous Beliefs and Risk Neutral Skewness

Geoffrey C. Friesen, Yi Zhang, and Thomas S. Zorn

### Corporate Governance, Finance, and the Real Sector

Paolo Fulghieri and Matti Suominen

### Governance through Trading: Institutional Swing Trades and Subsequent Firm Performance

David R. Gallagher, Peter A. Gardner, and Peter L. Swan

### Dividend Growth, Cash Flow, and Discount Rate News

Ian Garrett and Richard Priestley

### Debt Maturity and Asymmetric Information: Evidence from Default Risk Changes

Vidhan K. Goyal and Wei Wang

### Tell-Tale Tails: A New Approach to Estimating Unique Market Information Shares

Joachim Grammig and Franziska J. Peter

### Volume Dynamics and Multimarket Trading

Michael Halling, Pamela C. Moulton, and Marios Panayides

### Speculative Retail Trading and Asset Prices

Bing Han and Alok Kumar

### A New Anomaly: The Cross-Sectional Profitability of Technical Analysis

Yufeng Han, Ke Yang, and Guofu Zhou

### Effects of Bank Regulation and Lender Location on Loan Spreads

Li Hao, Debarshi K. Nandy, and Gordon S. Roberts

### Algorithmic Trading and the Market for Liquidity

Terrence Hendershott and Ryan Riordan

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

Mark Humphery-Jenner

(continued on next page)

## Forthcoming Articles (continued)

### Taxation, Dividends, and Share Repurchases: Taking Evidence Global

Marcus Jacob and Martin Jacob

### Information Content of Earnings Announcements: Evidence from After Hours Trading

Christine X. Jiang, Tanakorn Likitapiwat, and Thomas H. McInish

### Stock Price Jumps and Cross-Sectional Return Predictability

George J. Jiang and Tong Yao

### Contracting with Non-Financial Stakeholders and Corporate Capital Structure: The Case of Product Warranties

Jayant R. Kale, Costanza Meneghetti, and Husayn Shahrur

### Can Strong Boards and Trading Their Own Firm's Stock Help CEOs Make Better Decisions? Evidence from Acquisitions by Overconfident CEOs

Adam C. Kolasinski and Xu Li

### Do Portfolio Distortions Reflect Superior Information or Psychological Biases?

Alok Kumar and George M. Korniotis

### CEO Entrenchment and Corporate Hedging: Evidence from the Oil and Gas Industry

Praveen Kumar and Ramon Rabinovitch

### Using Samples of Unequal Length in Generalized Method of Moments Estimation

Anthony W. Lynch and Jessica A. Wachter

### Do Stock Markets Catch the Flu?

Brian C. McTier, Yiuman Tse, and John K. Wald

### Customer Order Flow, Intermediaries, and Discovery of the Equilibrium Risk-Free Rate

Albert J. Menkveld, Asani Sarkar, and Michel van der Wel

### CEOs under Fire: The Effects of Competition from Inside Directors on Forced CEO Turnover and CEO Compensation

Shawn Mobbs

### Divisible Good Auctions with Asymmetric Information: An Experimental Examination

Emmanuel Morales-Camargo, Orly Sade, Charles Schnitzlein, and Jaime F. Zender

### Capital Allocation by Public and Private Firms

Sandra Mortal and Natalia Reisel

### Market Reaction to Corporate Press Releases

Andreas Neuhierl, Anna Scherbina, and Bernd Schlusche

### Predictable Dynamics in Higher Order Risk-Neutral Moments: Evidence from the S&P 500 Options

Michael Neumann and George Skiadopoulos

### The Impact of Government Intervention in Banks on Corporate Borrowers' Stock Returns

Lars Norden, Peter Roosenboom, and Teng Wang

### Modeling the Cross Section of Stock Returns: A Model Pooling Approach

Michael O'Doherty, N. E. Savin, and Ashish Tiwari

### Internal versus External CEO Choice and the Structure of Compensation Contracts

Frédéric Palomino and Eloiç Peyrache

### Corporate Governance and Risk-Taking in Pension Plans: Evidence from Defined Benefit Asset Allocations

Hieu V. Phan and Shantaram P. Hegde

### How Much Do Investors Care About Macroeconomic Risk? Evidence from Scheduled Economic Announcements

Pavel Savor and Mungo Wilson

### Probability Weighting and Employee Stock Options

Oliver G. Spalt

### Solving the Return Deviation Conundrum of Leveraged Exchange-Traded Funds

Hongfei Tang and Xiaoqing Eleanor Xu

### Market Development and the Asset Growth Effect: International Evidence

Sheridan Titman, K. C. John Wei, and Feixue Xie

### The Role of Growth Options in Explaining Stock Returns

Lenos Trigeorgis and Neophytos Lambertides

### Are CFOs' Trades More Informative than CEOs' Trades?

Weimin Wang, Yong-Chul Shin, and Bill B. Francis

### State Antitakeover Laws and Voluntary Disclosure

Yijiang Zhao, Arthur Allen, and Iftekhar Hasan

## JFQA Style Requirements

Submit manuscripts online at [www.jfqa.org](http://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:

Brown, S., and J. Warner. "Using Daily Stock Returns: The Case of Event Studies." *Journal of Financial Economics*, 14 (1985), 1–31.

Ross, S. A. "Return Risk and Arbitrage." In *Risk and Return in Finance*, Vol. I, I. Friend and J. L. Bicksler, eds. Cambridge, MA: Ballinger (1977).

Titman, S.; K. C. Wei; and F. Xie. "Capital Investments and Stock Returns." *Journal of Financial and Quantitative Analysis*, 39 (2004), 677–700.

# Foster

## School of Business

### UNIVERSITY of WASHINGTON

**Faculty Position in the  
Department of Finance and Business Economics  
Foster School of Business at the University of Washington**

The Foster School of Business seeks to hire a qualified candidate for a full-time tenure-track position as an assistant or associate professor in finance in the areas of asset pricing and/or corporate finance to start in Autumn Quarter 2013. We will consider new Ph.D. graduates (or those near degree completion) as well as current assistant and associate professors with very strong records. Candidates should send a cover letter indicating research and teaching interests, a curriculum vitae, and at least three letters of recommendation. Applicants should also submit examples of recently published or unpublished research. Priority will be given to applications received by November 30, 2012.

Applicants are strongly encouraged to send complete applications by email to: [finance@u.washington.edu](mailto:finance@u.washington.edu).

Alternatively, applications may be sent to:

Professor Lawrence D. Schall, Chair  
c/o Andrew Anderson  
Department of Finance and Business Economics, UW Box 353226  
Foster School of Business at the University of Washington  
Seattle, WA 98195-3226

The University of Washington is an affirmative action, equal opportunity employer. The University is building a culturally diverse faculty and staff and strongly encourages applications from women, minorities, individuals with disabilities and covered veterans. Questions regarding this position may be sent to [finance@u.washington.edu](mailto:finance@u.washington.edu).

University of Washington Faculty engage in teaching, research and service. Employment at the University of Washington is contingent upon budgetary approval.

# Foster

## School of Business

### UNIVERSITY of WASHINGTON

**Faculty Position in the  
Department of Finance and Business Economics  
Foster School of Business at the University of Washington**

The Foster School of Business seeks to hire a qualified candidate for a full-time tenured position of professor of finance in the area of asset pricing to start as early as Autumn Quarter 2013. We will consider current associate and full professors with outstanding records. A Ph.D. in finance or a related field is required at the time of appointment. Candidates should send a cover letter indicating research and teaching interests, a curriculum vitae, and at least three letters of recommendation. Applicants should also submit examples of recently published or unpublished research. We encourage application submissions by December 16, 2012.

Applicants are strongly encouraged to send complete applications by email to: [finance@u.washington.edu](mailto:finance@u.washington.edu).

Alternatively, applications may be sent to:

Professor Lawrence D. Schall, Chair  
c/o Andrew Anderson  
Department of Finance and Business Economics, UW Box 353226  
Foster School of Business at the University of Washington  
Seattle, WA 98195-3226

The University of Washington is an affirmative action, equal opportunity employer. The University is building a culturally diverse faculty and staff and strongly encourages applications from women, minorities, individuals with disabilities and covered veterans. Questions regarding this position may be sent to [finance@u.washington.edu](mailto:finance@u.washington.edu).

University of Washington Faculty engage in teaching, research and service. Employment at the University of Washington is contingent upon budgetary approval.

CAMBRIDGE

## Fantastic Titles *from* Cambridge!

### An Information Theoretic Approach to Econometrics

George G. Judge *and*  
Ron C. Mittelhammer

\$99.00: Hardback: 978-0-521-86959-1: 248 pp.

\$36.99: Paperback: 978-0-521-68973-1

### Discrete Models of Financial Markets

Marek Capinski *and*  
Ekkehard Kopp

*Mastering Mathematical Finance*

\$80.00: Hardback: 978-1-107-00263-0: 192 pp.

\$39.99: Paperback: 978-0-521-17572-2

### Interest Rates, Prices and Liquidity

Lessons from the Financial Crisis

*Edited by Jagjit S. Chadha and Sean Holly*

*Macroeconomic Policy Making*

\$99.00: Hardback: 978-1-107-01473-2: 292 pp.

*Prices subject to change.*

### Principles of Pricing

An Analytical Approach

Rakesh Vohra *and*  
Lakshman Krishnamurthi

\$50.00: Hardback: 978-1-107-01065-9: 260 pp.

### Short Introduction to Accounting Dollar Edition

Richard Barker

*Cambridge Short Introductions to Management*

\$75.00: Hardback: 978-1-107-01551-7: 176 pp.

\$25.99: Paperback: 978-1-107-61011-8

### Strategic Financial Planning over the Lifecycle

A Conceptual Approach to Personal Risk Management

Narat Charupat, Huaxiong Huang, *and*  
Moshe A. Milevsky

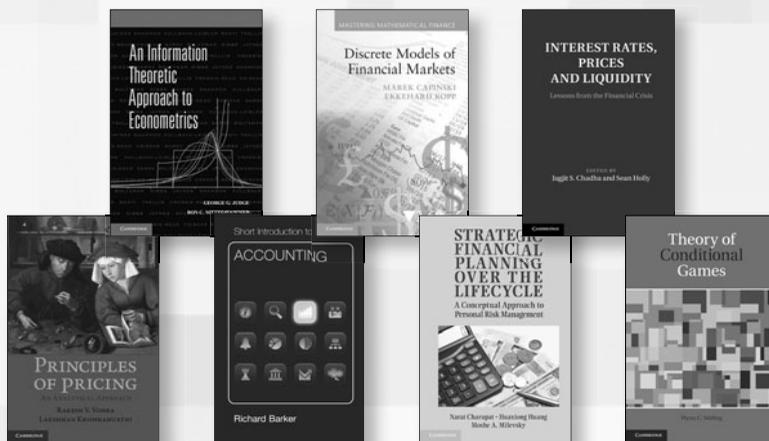
\$120.00: Hardback: 978-0-521-76456-8: 384 pp.

\$45.00: Paperback: 978-0-521-14803-0

### Theory of Conditional Games

Wynn C. Stirling

\$95.00: Hardback: 978-1-107-01174-8: 250 pp.



[www.cambridge.org/us](http://www.cambridge.org/us)



CAMBRIDGE  
UNIVERSITY PRESS

Cambridge Journals Online  
For further information about this journal please  
go to the journal website at:  
[journals.cambridge.org/jfq](http://journals.cambridge.org/jfq)

**CAMBRIDGE**  
UNIVERSITY PRESS