

# 15<sup>th</sup> Banking and Finance Conference



## "Australia's Financial Institutions in Transition"

### Event Details:

#### Date:

Thursday 30th September and Friday 1st October 2010

#### Venue:

Conference - Level 2,  
Dinner - Level 17,  
RACV Club, 501 Bourke Street  
Melbourne

#### Time:

Conference: 8.30am Registration for 9am start  
Dinner: 6.45pm Registration for 7pm start

#### Investment (incl gst) per person:

##### FULL 2 DAY PROGRAM (INCL. DINNER):

###### EARLY BIRD (register by 3 September 2010)

|   |              |
|---|--------------|
| Finsia Members/Academics/<br>ACFS Corporate Sponsors & Supporters:                | \$ 595.00    |
| Finsia Members/Academics/<br>ACFS Corporate Sponsors & Supporters:                | \$ 695.00    |
| Finsia Members/Academics/<br>ACFS Corporate Sponsors & Supporters<br>(3 or more): | \$ 595.00pp  |
| NON Members/Academics:  | \$1,295.00pp |
| NON Members/Academics (3 or more):  | \$1,095.00pp |

##### 2 DAY PROGRAM (EXCL. DINNER):

###### EARLY BIRD (register by 3 September 2010)

|  |           |
|--|-----------|
| Finsia Members/Academics/<br>ACFS Corporate Sponsors & Supporters: | \$ 500.00 |
| Finsia Members/Academics/ACFS Corporate<br>Sponsors & Supporters:  | \$ 600.00 |
| FULL TIME Student:   | \$ 380.00 |

##### PLENARY WORKSHOPS PER DAY:

|  |           |
|--|-----------|
| Finsia Members/Academics/<br>ACFS Corporate Sponsors & Supporters: | \$ 190.00 |
| NON Members/Academics:   | \$ 380.00 |

##### ACFS RESEARCH WORKSHOPS PER DAY:

|  |           |
|--|-----------|
| Finsia Members/Academics/<br>ACFS Corporate Sponsors & Supporters: | \$ 190.00 |
| NON Members/Academics:   | \$ 380.00 |

##### FINSIA PD WORKSHOPS PER DAY:

|  |           |
|--|-----------|
| Finsia Members/Academics/<br>ACFS Corporate Sponsors & Supporters: | \$ 190.00 |
| NON Members/Academics:   | \$ 380.00 |

##### DINNER ONLY:

|  |             |
|--|-------------|
| Finsia Members/Academics/<br>ACFS Corporate Sponsors & Supporters:                 | \$ 95.00    |
| NON Members/Academics:   | \$ 190.00   |
| Finsia Members/Academics/<br>ACFS Corporate Sponsors & Supporters<br>(Table of 8): | \$ 935.00   |
| NON Members/Academics (table of 8):  | \$ 1,330.00 |

#### Registration closing date:

Friday 24<sup>th</sup> September, 2010

#### Contact: Joyce Teo

[info@australiancentre.com.au](mailto:info@australiancentre.com.au)

T: +61 3 9666 1050

#### Research Program sponsored by:



#### Consortium:



### Background

The Finsia-Australian Centre for Financial Studies Banking and Finance Conference provides a unique opportunity for practitioners and academics to exchange knowledge, views and develop contacts. In an environment where financial markets are undergoing marked change, understanding recent developments in both theory and practice and the results of applied research are crucial.

Now in its 15th year, the conference serves as an interface between academics and professionals in the banking and financial services industry.

Each morning, there will be plenary session addresses from keynote speakers and senior finance industry practitioners; and in the afternoons, concurrent sessions of peer reviewed academic research papers and "prac-ac" panels and workshops will be held. The choices available among concurrent streams of presentations provide attendees with the opportunity to sample leading edge finance knowledge and research in areas of specific interest.

**Finsia – the Financial Services Institute of Australasia** – is Australasia's only professional association representing the entire spectrum of financial services including the wealth management, banking & finance and capital markets sectors. It connects more than 16,500 members with the latest thinking and information from across the industry by providing relevant and high quality professional development and networking programs, a comprehensive suite of career support services and a range of industry-leading information resources and publications. Advocacy and policy initiatives ensure Finsia plays a critical role in promoting industry growth both regionally and around the world. [www.finsia.com](http://www.finsia.com)

**The Australian Centre for Financial Studies (ACFS)** facilitates industry-relevant and rigorous research and consulting, thought leadership and independent commentary. Drawing on expertise from academia, industry and government, the Centre promotes excellence in financial services.

The Centre specialises in leading edge finance and investment research, aiming to boost the global credentials of Australia's finance industry, bridge the gap between research and industry, and support Melbourne as an international centre for finance practice, research and education. [www.australiancentre.com.au](http://www.australiancentre.com.au)

### Conference Format:

**Mornings** - Addresses from influential keynote speakers

**Afternoons** - Concurrent sessions of peer reviewed research papers and ACFS Research Grants papers and Finsia PD Workshops

**Conference dinner** – Thursday 30<sup>th</sup> September – hosting keynote address "Banking, for fun and profit!" by Steven Münchenberg, CEO, Australian Bankers' Association.

### Conference Plenary Speakers include:

- **Ben Gray**, Partner & Head of AU and NZ, TPG Capital
- **Stephen Gray**, Professor of Finance, University of Queensland
- **Mark Joiner**, Executive Director Finance, NAB
- **Greg Medcraft**, Commissioner, ASIC
- **Colin Nicol**, Partner, McGrathNicol
- **Don Russell**, Chairman, State Super
- **Justin Wood**, Former CEO, Barclays Global Investors Australia

**Prof Deborah Ralston F Fin**

Director

Australian Centre for Financial Studies

**Martin Fahy F Fin**

Chief Executive Officer ,

Finsia



### Corporate Sponsors and Supporters:



# 15<sup>th</sup> Banking and Finance Conference



[www.australiancentre.com.au](http://www.australiancentre.com.au)

## "Australia's Financial Institutions in Transition"

### Conference technical program:

The afternoon program consists of concurrent streams of presentations of contributed research papers.

### Who should attend:

Finance academics, bankers and corporate lenders, fund managers and financial analysts, risk managers, stock brokers, regulators, insurers and non-bank financial intermediaries.

### Why attend:

Hear from thought-leaders and key decision-makers in the Australasian finance industry.  
 Keep up with the latest trends driving the region's capital markets.  
 Understand the response of regulators and the academic community to emerging issues.  
 Be exposed to leading edge academic research in funds management, banking, corporate finance and new financial markets.  
 Participate in an open forum between practitioners and academic researchers.  
 Benefit from this cost-effective event by gaining up to 12 PD points while networking with peers across the industry.

This event provides excellent value for money for:

- « Academics to meet with other academics in complementary fields
- « Practitioners seeking to meet academics with specialist research and consulting expertise
- « Academics seeking to discuss current issues with practitioners.

### Best Paper Prize Sponsored by:

Papers presented to this conference will be eligible for publication in Finsia's technical journal *JASSA*.  
 Conference papers will also be eligible to win an AUD1,000 Best Paper Prize.  
*SIRCA* and *Finsia* are each sponsors of an award.



*SIRCA* actively supports excellence in academic financial research. The *SIRCA* prize will be awarded to the paper which best combines technical excellence with insight that is of value to industry practitioners.

| Thursday 30 September 2010 – Morning Program<br>RACV Club, Level 2, 501 Bourke Street, Melbourne |   |   |
|--|---|---|
| Plenary Sessions   | Speakers  | Topic   |
| 8.15am   | Registration  |   |
| 8.50am   | Prof Deborah Ralston, Director Australian Centre for Financial Studies                | Welcome and Introduction  |
| 9.00am   | Colin Nicol, Partner, McGrathNicol  | Current trends & Issues in Corporate Restructuring & Insolvency   |
| 9.45am   | Ben Gray, Partner and Head of Australia & New Zealand, TPG Capital                    | Private equity investing during and post GFC  |
| 10.30am  | NETWORKING AND REFRESHMENTS   |   |
| 11am   | Prof Kevin Davis, Research Director Australian Centre for Financial Studies           | Repairing Retail Finance – Recommendations from the Australia-New Zealand Shadow Financial Regulatory Committee |
| 11.45am  | Prof Stephen Gray, Professor of Finance, UQ Business School, University of Queensland | Corporate Finance: How to use economic models in practice   |
| 12.30pm  | Mike Briers, Chief Executive Officer, SIRCA   | Thank you   |
| 12.33pm  | Prof Deborah Ralston, Director Australian Centre for Financial Studies                | Morning Session Roundup and Close   |
| 12.35pm  | LUNCH   |   |

### Consortium:



### Corporate Sponsors and Supporters:



# 15<sup>th</sup> Banking and Finance Conference



[www.australiancentre.com.au](http://www.australiancentre.com.au)

## "Australia's Financial Institutions in Transition"

Thursday 30 September 2010 – Afternoon Program  
RACV Club, Level 2, 501 Bourke Street, Melbourne

| ACFS Research Workshop Program |  |   |  | Finsia PD Workshop Program  |   |
|--------------------------------|--|---|--|---|---|
| 1pm                            | ACFS Research Workshop Registration<br>Bourke Rooms 1,2,3  |   |  | 1pm   | Finsia PD Workshop Registration   |
| Session Time                   | Banking 1  | Corporate Finance 1   | Retirement Savings & Investments   | <i>Trends in debt financing – Funding, Lending and liquidity – the outlook for banks and businesses</i> |   |
|                                | Bourke Room 1  | Bourke Room 2   | Bourke Room 3  | Bayside Room 5  |   |
| 1.30pm                         | <b>The Denial of Debt: Understanding Margin Lending in Australia</b><br>Seb Halse<br>Aviva/MLC   | <b>Options Trading Volume and Stock Price Response to Earnings</b><br>Cameron Truong<br>Monash University<br>Charles J. Corrado<br>Deakin University  | <b>Retirement Savings Investment Strategy Choices: Naive or Sophisticated?</b><br>Paul Gerrans<br>Ghialy C. L. Yap<br>Edith Cowan University           | 1.30pm  | Chair's Opening remark<br>Mike Dontschuk, Principal,<br>Dontschuk and Associates                                      |
| 2pm                            | <b>Rating Triggers in Loan Contracts - How Much Influence Have Credit Rating Agencies on Borrowers - in Monetary Terms</b><br>Markus Wiemann<br>Frankfurt School of Finance & Management | <b>Initial Public Offerings by Commitments Test Entities on the ASX</b><br>Zoltan Murgulov,<br>Madhu Veeraraghavan<br>Monash University<br>Alastair Marsden<br>The University of Auckland   | <b>Retirement Savings Investment Choices in Response to the Global Financial Crisis: Australian Evidence</b><br>Paul Gerrans<br>Edith Cowan University | 2.10pm  | <b>Banks business as usual, the outlook for corporate lending</b><br>Brad Upton, Director, Westpac Institutional Bank |
| 2.30pm                         | <b>Securitization Rating Performance and Agency Incentives</b><br>Daniel Roesch<br>Harald Scheule<br>University of Melbourne   | <b>Tax Heterogeneity and Stock Supply Elasticity: Evidence from Australian Off-Market Repurchases</b><br>Christine Brown<br>Monash University<br>Kevin Davis<br>The University of Melbourne | <b>Investing in Volatility</b><br>Chris Inman<br>Russell Investments Australia<br>Geoff J. Warren<br>Australian National University                    | 2.40pm  | <b>Diversification – alternatives to bank loans,</b><br>Michael Isaacs, Senior Director,<br>RBS                       |
| 3pm                            | NETWORKING AND REFRESHMENTS  |   |  | 3.10pm  | NETWORKING AND REFRESHMENTS   |

Consortium:



Corporate Sponsors and Supporters:



# 15<sup>th</sup> Banking and Finance Conference



[www.australiancentre.com.au](http://www.australiancentre.com.au)

## "Australia's Financial Institutions in Transition"

Thursday 30 September 2010 - Afternoon Program continued  
RACV Club, Level 2, 501 Bourke Street, Melbourne

| ACFS Research Workshop Program |   |   |  | Finsia PD Workshop Program  |  |
|--------------------------------|---|---|--|---|--|
| Session Time                   | Securitization & SMEs   | Corporate Finance 2   | Funds Management   | <i>Trends in debt financing – Funding, Lending and liquidity – the outlook for banks and businesses</i> |  |
|                                | Bourke Room 1   | Bourke Room 2   | Bourke Room 3  |   | Bayside Room 5   |
| 3.30pm                         | <p><i>The Role of Trust, Relationships and Professional Ethics in the Supply of External Business Advice by Accountants to SMEs</i><br/>Robert Andrew Blackburn<br/>Kingston Business School<br/>Peter Carey<br/>George Tanewski, Monash University</p> | <p><i>The Role of R&amp;D in Cross-Border Mergers &amp; Acquisitions</i><br/>Amalia Di Iorio<br/>Michael Graham<br/>Terrence A. Hallahan<br/>Richard A. Heaney, RMIT University</p> | <p><i>Do Fees Signal Performance? Evidence from the Hedge Fund Industry</i><br/>Paul Lajbcygier<br/>Joe Rich, Monash University</p>                                | 3.40pm  | <p><i>Case Study: Tapping into the Asian loan market</i><br/>Sean Joseph, Executive Director, Syndications, ANZ</p>  |
| 4pm                            | <p><i>The Happy Story Told by SME Capital Structure</i><br/>Kenny Bell<br/>Ed Vos, University of Waikato</p>  | <p><i>Tax Efficient Infrastructure Financing: Reducing Funding Costs</i><br/>Gordon Mackenzie, University of New South Wales</p>  | <p><i>Investment Styles and Performance in the Australian Unlisted Wholesale Property Fund Market</i><br/>David M. Higgins, RMIT University</p>                    | 4.10pm  | <p><i>Panel discussion: Balancing the needs of industry and lenders</i><br/>Jonathan Kelly, Director, CHAMP Ventures<br/>Nick Samios F Fin, State Manager NSW, Hermes Capital Ltd<br/>Loretta Venten SF Fin, General Manager, Loan Markets, Commonwealth Bank of Australia</p> |
| 4.30pm                         | <p><i>Pricing CDOs with Time-Varying Recovery Rates and Default Dependence</i><br/>Chang Liu, University of Melbourne</p>   | <p><i>Australian Coal Company Risk Factors and Oil Price Shocks</i><br/>Ronald A. Ratti<br/>Mohammad Z. Hasan, University of Western Sydney</p>                                     | <p><i>The Effect of Idiosyncratic Risk on Mutual Fund Flows and Management Fees</i><br/>Lorenzo Casavecchia<br/>Hardy Hulley, University of Technology, Sydney</p> | 5.00pm  | Closing Remarks  |
| 5pm                            | Close   |   |  |   |  |
| 6pm                            | Dinner Registration, Level 17, RACV Club  |   |  |   |  |
| 6.30pm                         | Pre-dinner drinks and networking  |   |  |   |  |
| 7pm                            | DINNER - Including keynote speaker address on "Banking, for fun and profit!" by Steven Münchenberg, CEO, Australian Bankers' Association.   |   |  |   |  |
| 10.30pm                        | Dinner Close  |   |  |   |  |

Consortium:



Corporate Sponsors and Supporters:



# 15<sup>th</sup> Banking and Finance Conference



FINANCIAL SERVICES INSTITUTE of Australasia

# A AUSTRALIAN CENTRE FOR FINANCIAL STUDIES

[www.australiancentre.com.au](http://www.australiancentre.com.au)

## "Australia's Financial Institutions in Transition"

### Friday 1 October 2010 – Morning Program

| Plenary Sessions | Speakers   | Topic  |
|------------------|--|--|
| 9am              | Justin Wood, Former CEO, Barclays Global Investors Australia | Retirement system development and implications for financial market participants                                     |
| 9.45am           | Dr Don Russell, Chair State Super                            | Do super funds need to reconsider their investment strategies in the light of recent events and the Cooper findings? |
| 10.30am          | MORNING TEA  |  |
| 11am             | Greg Medcraft, Commissioner ASIC                             | Financial Services: What is on the Forward Agenda for ASIC?  |
| 11.45pm          | Mark Joiner, Executive Director Finance, NAB                 | Australian Bank Management in the wake of the Global Financial Crisis  |
| 12.30pm          | LUNCH  |  |

### Friday 1 October 2010 - Afternoon Program

| ACFS Research Workshop Program |  |  | Finsia PD Workshop Program  |        |   |
|--------------------------------|--|--|---|--------|---|
|                                |  |  | <i>Trading Places – exchanges, platforms and providers in the new regulatory environment</i>  |        |   |
| 1pm                            | ACFS Research Workshop Registration  |  |   | 1pm    | Finsia PD Workshop Registration   |
| Session Times                  | Corporate Governance   | Investments  | Financial Development   |        |   |
|                                | Bourke Room 1  | Bourke Room 2  | Bourke Room 3   |        | Bayside Room 4  |
| 1.30pm                         | <b>Does Corporate Governance Matter to Financial Institutional Shareholders?</b><br>Meiting Lu<br>Fariborz Moshirian<br>Jason Zein, University of New South Wales<br>Peter Kien Pham<br>University of Sydney   | <b>Real Estate as Part of an Investment Portfolio in Australia</b><br>Richard A. Heaney<br>David Higgins<br>Amalia Di Iorio<br>RMIT University   | <b>Insurance and Economic Growth: A Cross Country Examination</b><br>Yen Ngoc Nguyen<br>Katherine Avram<br>Michael T. Skully<br>Monash University   | 1.30pm | Chair's Opening remark  |
| 2pm                            | <b>Fraud and Firm Performance: Evidence from Fraud on the Market and Securities Class Action Lawsuits</b><br>Christopher B. Malone<br>Massey University<br>John D. Finnerty<br>Finnerty Economic Consulting LLC<br>Shantaram P. Hegde<br>University of Connecticut | <b>When Should Investors Choose an Alternative to Passively Investing in a Capitalization-Weighted Index?</b><br>Don Ezra<br>Russell Investments<br>Geoff J. Warren,<br>Australian National University | <b>Assessing Banking Controls in Financial Development using a Dynamic Approach</b><br>K. Gooroochurun<br>Boopen Seetana<br>V. Sannasee<br>University of Mauritius<br><br>Binesh Seetana<br>RMIT University | 1.40pm | <b>Implementing competition in Australia's financial markets</b><br>Mark Adams, Director,<br>International Relations, ASIC  |
| 2.30pm                         | <b>Risks Exposure in Islamic Banks: A Case Study of Bank Islam Malaysia Berhad (BIMB)</b><br>Ishaq Bhatti<br>Faridah Najuna Misman<br>La Trobe University  | <b>Enhancing Contrarian Strategies: Evidence from Developed Market Indices</b><br>Graham N. Bornholt<br>Mirela D. Malin<br>Griffith University   | <b>Australia as an International Financial Services Centre: Assessment of Determinants, Position and Future Prospects</b><br>Kevin Daly<br>University of Western Sydney                                     | 2.10pm | <b>Efficiency and integrity in the market – lessons from the UK experience (case study)</b><br>Prof Michael J Aitken, Chair of Capital Market Technologies, University of NSW and Chief Executive Officer Capital Markets CRC Limited |
| 3pm                            | NETWORKING AND REFRESHMENTS  |  |   | 2.40pm | NETWORKING AND REFRESHMENTS   |

Consortium:



Corporate Sponsors and Supporters:



# 15<sup>th</sup> Banking and Finance Conference



FINANCIAL SERVICES INSTITUTE of Australasia

# A AUSTRALIAN CENTRE FOR FINANCIAL STUDIES

[www.australiancentre.com.au](http://www.australiancentre.com.au)

## "Australia's Financial Institutions in Transition"

Friday 1 October 2010 - Afternoon Program continued

| ACFS Research Workshop Program |   |   |  |   | Finsia PD Program   |   |
|--------------------------------|---|---|--|---|---|---|
| Session Times                  | Market Micro Structure  | Financial Theory  | Banking 2  | PhD Theses  | Trading Places – exchanges, platforms and providers in the new regulatory environment |   |
|                                | Bourke Room 1   | Bourke Room 2   | Bourke Room 3  | Bayside 5   | 3pm   | Bayside Room 4  |
| 3.30pm                         | <p><b>Does Older Mean Wiser? The Effect of Market Maturity on Informed Trading in an Emerging Futures Market</b></p> <p>Charles Chang<br/>The Chinese University of Hong Kong<br/>Emily Lin<br/>National Chiao Tung University, St John's University</p>  | <p><b>Multiplicative Risk Prudence, Inflation Uncertainty and the Real Risk-Free Rate Puzzle</b></p> <p>George Wong, Hong Kong Polytechnic University<br/>Xin Chang, Nanyang Technological University<br/>Bruce D. Grundy<br/>University of Melbourne</p> | <p><b>Depositor discipline and Australian banks</b></p> <p>Xing Yan<br/>Monash University</p>  | <p><b>Behavioral Aspects of Australian Working Capital Managers during the Global Financial Crisis</b></p> <p>Yilang Zhao, Vikash Ramiah, Tony Naughton<br/>RMIT University</p>             | 3pm   | <p><b>Multi-platform trading – embracing the technology "arms race"</b></p> <p>Alex Bennett, Director Equities, Head of Electronic Execution, Citi Australia and New Zealand</p>  |
| 4pm                            | <p><b>An analysis of trades by high frequency participants on the London Stock Exchange</b></p> <p>Elvis Jarnecic<br/>Mark Snape<br/>University of Sydney</p>   | <p><b>Equilibrium Market Prices of Risks and Market Risk Aversion in a Complete Stochastic Volatility Model with Habit Formation</b></p> <p>Qian Han<br/>Calum G. Turvey, Cornell University</p>  | <p><b>Basel capital adequacy agreements and Australian bank risk</b></p> <p>Bernard Bollen<br/>Michael Skully<br/>Xiaoting Wei<br/>Monash University</p> | <p><b>Loan term dependences and information asymmetries</b></p> <p>Phu Quoc Pham, Michael Skully, Shrimal Perera<br/>Monash University</p>  | 3.45pm  | <p><b>Panel discussion</b></p> <p>Mark Adams, Director, International Relations, ASIC<br/>Prof Michael J Aitken, Chair of Capital Market Technologies, University of NSW and Chief Executive Officer Capital Markets CRC Limited<br/>Jason Keady, Director – Market and Operations, Chi-X<br/>Alex Bennett, Director Equities, Head of Electronic Execution, Citi Australia and New Zealand</p> |
| 4.30pm                         | <p><b>The Relation between Market Liquidity and Anonymity in the Presence of Tick Size Constraints</b></p> <p>Sean Pinder<br/>Christine A. Brown, University of Melbourne<br/>Astrophel Kim Choo, Griffith University</p>   | <p><b>A Binomial Model of Asset and Option Pricing with Heterogeneous Beliefs</b></p> <p>Xue-Zhong 'Tony' He<br/>Lei Shi<br/>University of Technology, Sydney</p>   | <p><b>Assessing Stability of an Economy: A Scenario-Based Approach</b></p> <p>Asghar Ali<br/>University of Western Sydney</p>                            | <p><b>The Efficiency of the Buy-Write Strategy: Evidence from Australia</b></p> <p>Tafadzwa Mugwagwa, Vikash Ramiah, Tony Naughton<br/>RMIT University</p>                                  | 4.30pm  | <p><b>Closing remarks</b></p>   |
| 5pm                            | <p><b>The Choice of Equity Offerings to Existing Shareholders: Unit Offerings, Standalone Warrants Versus Standalone Equity</b></p> <p>Balasingham Balachandran<br/>Eswaran Velayutham, La Trobe University<br/>Sutharson Kanapathipillai<br/>Deakin University<br/>Chandrasekhar Krishnamurti University of Southern Queensland<br/>Michael F. Theobald<br/>University of Birmingham</p> |   |  | <p><b>A Review of the Use of Credit Derivatives - Implications for Risk Management in Banking</b></p> <p>Roshanthi Dias, Nicholas A. Mroczkowski<br/>Swinburne University of Technology</p> |   |   |
| 5.30pm                         | Conference Close  |   |  |   |   |   |

Consortium:



Corporate Sponsors and Supporters:

