

CDI 2018– SEVENTH CONFERENCE ON DERIVATIVES
HÔTEL LE ST-SULPICE, MONTRÉAL, CANADA

KEYNOTE LECTURE BY MIKHAIL CHERNOV – UNIVERSITY OF CALIFORNIA, LOS ANGELES

Thursday – September 20, 2018

8:00 a.m. Registration

8:30 a.m. Greetings

Morning Chair: Christian Dorion, HEC Montreal

**8:40 a.m. An American Call IS Worth More than a European Call:
The Value of American Exercise When the Market is Not Perfectly Liquid**

Stephen Figlewski, New York University

Discussion: Neil Pearson, University of Illinois at Urbana-Champaign

9:20 a.m. Volatility Uncertainty and the Cross-Section of Option Returns

by J. Cao, A. Vasquez, X. Xiao, and X. Zhan

Xintong Zhan, Chinese University of Hong Kong

Discussion: Bjørn Eraker, University of Wisconsin-Madison

10:00 a.m. Coffee Break

**10:30 a.m. Understanding Returns
to Short Selling Using Option-Implied Stock Borrowing Fees***

by D. Muravyev, N. Pearson, and J. M. Pollet

Dmitriy Muravyev, Boston College

Discussion: Melissa Porras Prado, Nova School of Business

11:10 a.m. Is The Synthetic Stock Price Really Lower Than The Cash Price?

Jianfeng Hu, Singapore Management University

Discussion: Paul Schultz, University of Notre-Dame

12:00 p.m. Lunch

Afternoon Chair: Aurelio Vasquez, ITAM

1:30 p.m. Real-Time Distribution of Stochastic Discount Factors

Fousseni Chabi-Yo, University of Massachusetts

Discussion: Olivier Scaillet, University of Geneva & SFI

2:10 p.m. Option Implied Dependence*

by C. Bernard, O. Bondarenko, and S. Vanduffel

Oleg Bondarenko, University of Illinois at Chicago

Discussion: Paul Schneider, University of Lugano & SFI

2:50 p.m. Coffee Break

* Research sponsored by CDI research grants

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- 3:20 p.m. Option Trading and Corporate Information Environment**
by J. Cao, A. Goyal, S. Ke, and X. Zhan
Amit Goyal, University of Lausanne & SFI
Discussion: Olivier Dessaint, University of Toronto
- 4:00 p.m. Credit Market Choice**
by N. Boyarchenko, A.M. Costello, J. La'O, and O. Sachar
Nina Boyarchenko, Federal Reserve Bank of New York
Discussion: Lukas Schmid, Duke University
- 4:45 p.m. Cocktail**
- 6:30 p.m. Conference Dinner** (program participants only)
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Friday – September 21, 2018

Morning Chair: Mathieu Fournier, HEC Montréal

- 8:30 a.m. Shadow Funding Costs: Measuring the Cost of Balance Sheet Constraints**
by M. Fleckenstein and F. Longstaff
Matthias Fleckenstein, University of Delaware
Discussion: Aytek Malkhozov, Federal Reserve Board of Governors
- 9:10 a.m. Market Expectation in the OIS Curve**
by Z. Wang, and W. Yang
Zhenyu Wang, Indiana University
Discussion: Desi Volker, Federal Reserve Bank of New York
- 10:00 a.m. Coffee Break**
- 10:30 a.m. Forward-Looking Currency Betas**
Andreas Bang Nielsen, Copenhagen Business School
Discussion: Andreas Stathopoulos, University of Washington
- 11:10 a.m. Expected Currency Depreciation upon Sovereign Default**
by P. Della Corte, E. Dias Saraiva-Patelli, and A. Jeanneret
Alexandre Jeanneret, HEC Montréal
Discussion: Fabrice Tourre, Northwestern University
- 12:00 p.m. Lunch**
Introduction by Pascal François, CDI Director
- 1:30 p.m. Keynote Lecture by Mikhail Chernov, University of California, Los Angeles**
**Sovereign Credit Risk and Exchange Rates:
Evidence from CDS Quanto Spreads**
- 3:00 p.m. Best Discussion Award & Closing Remarks**
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