ZEW Conference
"The Role of Expectations in Financial Markets"
May, 10th to 11th, 2012

VolkswagenStiftung

Venue:
Centre for European Economic Research (ZEW)
L7,1
68161 Mannheim

Thursday, 10th May	
08:30 - 09:00	**Registration**
09:00 - 09:15	**Conference Welcome: Michael Schröder (ZEW and Frankfurt School of Finance & Management)**
09:15 - 10:15	**Keynote Speech: Kajal Lahiri (University at Albany, SUNY)**
10:15 - 10:30	**Break**
10:30 - 12:00	*Session 1: Macroeconomic Expectations I*
Room:	**Elections, Cross-border Disagreement, and Volatility**
Luxembourg	Sandro C. Andrade (University of Miami)
	Discussant: Carlos Madeira (Central Bank of Chile)
	Heterogeneous Inflation Expectations, Learning and Market Outcomes
	Carlos Madeira (Central Bank of Chile)
	Discussant: Lukas Menkhoff (Leibniz University of Hannover)
12:00 - 13:00	**Lunch Break**
13:00 - 14:00	**Keynote Speech: *"Financial Forecasting: the Dark Side"*** **Roy Batchelor (Cass Business School)**
14:00 - 14:15	**Break**
14:15 - 16:30	*Session 2A: Subjective Return Expectations*
Room:	**Expected Idiosyncratic Risks and the Cross Section of Expected Returns**
Luxembourg	Jianfeng Hu (Zicklin School of Business, Baruch College)
	Discussant: Rogier Potter van Loon (Erasmus University Rotterdam)
	Subjective Return Expectations, Information and Stock Market Participation: Evidence from France
	Hector Calvo-Pardo (University of Southampton)
	Discussant: Zwetelina Iliewa (ZEW and Ludwig-Maximilians-Universität Munich)
	Main Street vs. Wall Street: A Comparison of Views
	Robin Lumsdaine (American University)
	Discussant: Hector Calvo-Pardo (University of Southampton)
14:15 - 16:30	*Session 2B: Macroeconomic Expectations II*
Room:	**Measuring Sovereign Bond Spillover in Europe and the Impact of Rating News**
Strasbourg	Peter Claeys (Universitat de Barcelona)
	Discussant: Michael Schröder (ZEW and Frankfurt School of Finance & Management)
	Assessing the Anchoring of Inflation Expectations
	Lars Winkelmann (Freie Universität Berlin)
	Discussant: Peter Claeys (Universitat de Barcelona)
	Macroeconomic Vulnerability and Disagreement in Expectations
	Marco Groß (European Central Bank)
	Discussant: Lars Winkelmann (Freie Universität Berlin)
16:30 - 17:00	**Break**
17:00 - 18:30	*Session 3A: Trading Behaviour and Overconfidence*
Room:	**Financial Overconfidence Over Time: Foresight, Hindsight, and Insight of Investors**
Luxembourg	Christoph Merkle (University of Mannheim)
	Discussant: Thomas Post (Maastricht University)
	What Makes Investors Optimistic? What Makes Them Afraid?
	Arvid Hoffmann (Maastricht University)
	Discussant: Christoph Merkle (University of Mannheim)
17:00 - 18:30	*Session 3B: Time Series Modelling with Survey Expectations*

Room: Strasbourg	**Anticipating Long-Run Stock Market Volatility**
	Karin Loch (University of Heidelberg)
	Discussant: Fabian Krüger (University of Konstanz)
	Survey Expectations Assisted Estimation of Autoregressive Models
	Frieder Mokinski (ZEW and University of Konstanz)
	Discussant: Karin Loch (University of Heidelberg)
19:30 - 20:00	**Dinner Speech: *"A practitioner's perspective on expectations"*** **Andreas Kremer (McKinsey & Company)**
20:00 - 23:00	**Conference Dinner**

Friday, 11th May	
09:00 - 10:00	**Keynote Speech: "*Stock Market Expectations and Investor Risk Taking Behavior*"** **Martin Weber (University of Mannheim)**
10:00 -10:15	**Break**
10:15 - 11:45	*Session 4A: Attention and Expectation Formation*
Room: Luxembourg	**Exchange Rate Expectations of Chartists and Fundamentalists**
	Christian D. Dick (ZEW and Leibniz University of Hannover)
	Discussant: Saskia ter Ellen (Erasmus University Rotterdam)
	Losing Sight of the Trees for the Forest? Pairs Trading and Attention Shifts
	Heiko Jacobs (University of Mannheim)
	Discussant: Richard Deaves (McMaster University)
10:15 - 11:45	*Session 4B: Expectations and Trading Behavior of Investment Funds*
Room: Strasbourg	**Fund Manager Overconfidence and Investment Performance: Evidence from Mutual Funds**
	Arman Eshraghi (University of Edinburgh Business School)
	Discussant: Tobias Heizer (Ludwig-Maximilians-Universität Munich)
	Economic Optimism, Information Uncertainty and Future Investment Decisions
	Saurin Patel (McGill University)
	Discussant: Torsten Walther (Ludwig-Maximilians-Universität Munich)
11:45 - 12:45	**Lunch Break**
12:45 - 14:15	*Session 5A: Investor Sentiments*
Room: Luxembourg	**Investor Attention and FX Market Volatility**
	Qingwei Wang (Bangor University)
	Discussant: Stephan Jank (University of Tübingen)
	Can internet search queries help to predict stock market volatility?
	Stephan Jank (University of Tübingen)
	Discussant: Heiko Jacobs (University of Mannheim)
12:45 - 14:15	*Session 5B: Empirical Finance*
Room: Strasbourg	**Earnings Management, Forecast Guidance and the Banking Crisis**
	Andrea Menini (University of Padua)
	Discussant: Eva A. Arnold (University of Hamburg)
	Explaining Sovereign Bond-CDS Arbitrage Violations During the Financial Crisis 2008-09
	Nathan Foley-Fisher (Federal Reserve Bank)
	Discussant: Sandra Schmidt (University of Heidelberg)
14:15-14:30	**Concluding Remarks**