

The 17th Annual Conference on PBF EAM*
and
**The 3rd International Conference on Business
in Asia (iCBA)**

**Centara Grand & Bangkok Convention
Centre at CentralWorld
Bangkok, Thailand**

July 1-2, 2009

* The 17th Annual Conference on Pacific Basin Finance, Economics, Accounting, and Management

The 17th Annual Conference on PBFEM* and The 3rd International Conference on Business in Asia (iCBA)

Conference Organizers:

- University of the Thai Chamber of Commerce, Bangkok, Thailand
- School of Business, University of the Thai Chamber of Commerce, Bangkok, Thailand
- Rutgers University, USA
- Foundation of Pacific Basin Financial Research and Development, Taiwan

Conference Co-Organizers:

Financial Engineering Association of Taiwan (FeAT), Taiwan

Program Director:

Rojanasak Chomvilailuk, University of the Thai Chamber of Commerce, Thailand

Program Co-Director:

Cheng-Few Lee, Rutgers University, USA and Editor of RQFA and RPBFMP

Program Committee Members:

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and Founder of School of Industrial Management at Ho Chi Minh City University of
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History of the Conference:

<u>Year</u>	<u>Venue/Country</u>	<u>Host Organizer</u>
1993	U.S.A.	Rutgers University, New Jersey
1994	Hong Kong	Hong Kong Chinese University, Hong Kong
1995	Taiwan	Taiwan Institute of Economic Research, Taipei
1996	U.S.A.	Rutgers University, New Jersey
1997	Singapore	Nanyang Technological University, Singapore
1998	Hong Kong	Hong Kong Polytechnic University, Hong Kong
1999	Taiwan	National Taiwan University, Taipei
2000	Thailand	Chulalongkorn University, Bangkok
2001	U.S.A.	Rutgers University, New Jersey
2002	Singapore	Nanyang Technological University, Singapore
2003	Taiwan	National Chiao Tung University, Hsinchu
2004	Thailand	The Consortium of Thai Universities, Bangkok
2005	U.S.A.	Rutgers University, New Jersey
2006	Taiwan	Foundation of Pacific Basin Financial Research and Development
2007	Vietnam	Ho Chi Minh City University of Technology, Ho Chi Minh City, Vietnam
2008	Australia	Queensland University of Technology, Brisbane, Queensland, Australia

Conference Program: 3rd iCBA and 17th PBFEM

July 1, 2009

7.30-9.00 a.m.

Registration

9.00-10.30 a.m.

Opening Ceremony

Opening Address: Associate Professor Chiradet Ousawat, PhD
President of The University of the Thai Chamber of commerce

**Venue: Lotus
Suite 1-4**

Keynote Address

H.E. Former Deputy Prime Minister: Dr Olan Chaipravat
Honorary Advisor of Fiscal Policy Research Institute, Thailand

10.30-11.00 a.m.

Coffee Break

**Venue: Pre-
Function**

11.00-12.00 a.m.

Keynote Speaker

**Venue: Lotus
Suite 1-4**

Professor Cheng-Few Lee
Rutgers University, U.S.A.

**Title of Speech: Overview of Quantitative Finance and Risk Management:
Past, Present, and Future**

12.00-13.30p.m.

**Venue:
Delegates Bar**

Lunch

13:30-15:00p.m.

Academic Sessions

Session 1: Investment and Asset Pricing

Chairperson: *Carl R. Chen*

Venue: Lotus Suite 1

- 1) **F069.09** : Equity Diversification in Two Chinese Share Markets: Nonparametric Cointegration Test by *Tsangyao Chang and Han-Wen Tzeng*
- 2) **F010.09** : Asset Pricing with Disequilibrium Price Adjustment: Theory and Empirical Evidence by *Cheng-Few Lee, Chiung-Min Tsai and Alice C. Lee*
- 3) **F041.09** : A Dynamic Long-Run Analysis on Asset Mispricing and Bubbles: Heterogeneous Beliefs or Inflation Illusion by *Carl R. Chen, Peter P. Lung and F. Albert Wang*
- 4) **F023.09** : Reconciling Power and Efficiency Theories of Interorganizational Governance: A Transaction Cost Economics Approach by *Stephen J. Carson and Rungrudee Suetorsak*

5) **F003.09** : Are Mathematics and Economics Courses Important Determinants in Financial Management: A Rank Order Approach by *Ken Hung, Chin W. Yang and Yifan Zhao*

Session 2 : Derivatives

Chairperson: *Vanita Tripathi*

Venue: Lotus Suite 2

- 1) **F024.09** : Effectiveness of Options Trading Strategies in India by *Vanita Tripathi and Sheetal Gupta*
- 2) **F043.09** : Application of Real Options to the Baseball Game Betting by *Shin-Yun Wang*
- 3) **F058.09** : An Improved Least Squares Monte Carlo Approach for Pricing Various Types of options by *Wen-Ming Szu, Jun-Biao Lin, Kai-Yi, and Je-Yung Jao*
- 4) **F062.09** : Forecasting volatility: Implied Volatility Perspective by *Zhenxing Zeng*
- 5) **F074.09** : Empirical Investigation of Option Pricing Models with Realized Volatility by *Yow-Jen Jou, Chih-Wei Wang and Wan-Chien Chiu*

Session 3 : Financial Institution

Chairperson: *Mo Chaudhury*

Venue: Lotus Suite 3

- 1) **F037.09**: Issues in Operational Risk Capital Modelling by *Mo Chaudhury*
- 2) **F034.09** : Economic Determinants of Default Risks and Their Impacts on Credit Derivative Pricing by *Szu-Lang Liao and Jui-Chen Chang*
- 3) **F044.09** : Bank Consolidation in Nigeria: An Analysis of Strategic Characteristics of Banks in Mergers and Acquisitions by *Elumilade, David Oladepo, Ajilore and Olubanjo Taiwo*
- 4) **F060.09** : The Impact of Corporate Governance Practices on Indonesia Banking Industry by *Nurul Hasanah Uswati Dewi*
- 5) **F030.09** : A Study of Mortgage-Backed Securities by Risk Evaluation on Banking Industry by *Po-Sheng Ko, Chien-Wen Shen, Cheng-Chung Wu and Ming Jen Cheng*

Session 4 : Corporate Governance, Leaderships, Human Resource Management

Chairperson: *J. Thomas Connelly*

Venue: Lotus Suite 4

- 1) **M_019_09** Does Corporate Governance Predict Future Performance? Evidence from Hong Kong by *Yan-Leung Cheung; J. Thomas Connelly; Ping Jiang and Piman Limpaphayom*
- 2) **M_008_09** Effect of Leadership Style on Employees' Satisfaction by *Mehdi Zaribaf and Seyed Mehdi Hoseini*
- 3) **M_003_09** The Relationship between LMX, WLCS, Psychological Empowerment, and Work Attitudes for R&D Engineers by *Chun-Hsi Vivian Chen, Wei-Chieh Chang and Hsu-Mei Lee*
- 4) **M_007_09** Effects of Organizational Attitude on Employees' Performance by *Seyed Mehdi Hoseini and Mehdi Zaribaf*
- 5) **M_013_09** The Impact of Career Plateauing on Organizational Citizenship Behavior: The Mediating Effect of Job Satisfaction by *Chang-jung Lin and Ying-Ni Chen*
- 6) **M_023_09** The Relationship Between Organization, Human Competences and Project Performance in Vietnamese Electrical Projects by *Vu Anh Tuan and Cao Hao Thi*

Session 5 : Economic Policy and Strategy

Chairperson: *Pussadee Polsaram*

Venue: Lotus Suite 10

- 1) **F018.09** : Prosectus and Challenges for ASEAN+3 Integration: Policy Implications for Thailand by *Thanet Wattanakul*
- 2) **F042.09** : An Alternative Strategy for Catch-up Economy in Vietnam, A Lesson for Developing Countries by *Van Ha Nguyen*
- 3) **F083.09** : Current Situation and Challenges of Taiwan's Economy and The ECFA by *Ming-ming Wu and Wei-kuang Chang*

15.00-15.30 p.m.
**Venue: Pre-
Function**

Coffee Break

15:30-17:00 p.m.

Panel Session: How to publish paper in academic journal

Venue: Lotus Suite 10

Chairperson: Cheng Few Lee, Rutgers University, USA

Panelists: 1. Randolph Beatty, University of Southern California, USA

2. Carl R. Chen, University of Dayton, USA

3. Sharan Jagpal, Rutgers University, USA

Academic Sessions

Session 6 : Stock Market

Chairperson: *Gilbert V. Nartea*

Venue: Lotus Suite 2

- 1) **F072.09** : Is Idiosyncratic Volatility Priced? Evidence from the Thai Stock Market by *Gilbert V. Nartea and Bert D. Ward*
- 2) **F013.09** : Investor Trading Behavior, Market Liquidity and the Role of Investor Sentiment by *Wei-Peng Chen, Junmao Chiu and Huimin Chung*
- 3) **F077.09** : An Application of Fuzzy Set Theory to the Weighted Average Cost of Capital and Capital Structure Decision by *Shin-Yun Wang and Chih-Chiang Hwang*
- 4) **F061.09** : The Equity Valuation Accuracy among Multiple Screening Models by *Rayenda Khresna Brahmana*
- 5) **F035.09** : Measurement Perspective Based Efficiency Market Hypothesis An Alternative Idea and Examination toward Market Efficiency by *Margani Pinasti and Luciana Spica Almlia*
- 6) **F038.09** : The Impact of Internet Financial Reporting on Profitability, Stock Price and Return in Indonesia Stock Exchange by *Luciana Spica Almlia*

Session 7 : Macroeconomics and FDI

Chairperson: *Pradyot K. Sen*

Venue: Lotus Suite 3

- 1) **F040.09** : Investment (FDI) Inflows and Economic Integration – A Comparative Study of SAARC Countries by *Sankar Thappa*
- 2) **F047.09** : Optimal Entry Mode and Technology Transfer of FDI with Differentiated Products by *Ho-Chyuan Chen and Mei-Fang Chung*
- 3) **F054.09** : A Financial Approach to the Balance of Payments by *Peijie Wang*
- 4) **F025.09** : Accuracy of Disclosure Environment and Subsidies for Foreign Investments by *Pradyot K. Sen*

	<p>Session 8 : M&A and Market Microstructure Chairperson: <i>Gerard L Gannon</i> Venue: Lotus Suite 1</p> <p>1) F053.09 : What Determine Payment Methods in Mergers and Acquisition by <i>Pinsshun Zhang, Peijie Wang, Trefor Jones</i> 2) F066.09 : Dispersion of Information or Market Behavior: General Public Trading in S&P500 Index Futures by <i>Gerard L Gannon</i> 3) F070.09 : Trading Volume and Returns Relationship in SET50 Index Futures by <i>Sirirat Thammasiri and Suluck Pattarathammas</i> 4) F078.09 : Determinants of Venture Capitals in Vietnam by <i>Tran Hoang Thong and Cao Hao Thi</i> 5) F049.09 : Takeover Deterrent Effect of On-market Share Buyback in Australia by <i>Dong Hai Trieu Doan and Chee Jin, Yap</i> 6) F082.09 : Life-cycle Theory and Equity-issue Announcement Effect by <i>Jeng-Ren Chiou, Hsuan-Chu Lin, and Ming-Sian Syue</i></p>
	<p>Session 9 : Management and Development, Logistic, Selling Channels Chairperson: <i>Gun Indrakoses</i> Venue: Lotus Suite 4</p> <p>1) M_010_09 International R&D Spillovers: A New Dynamic Perspective by <i>Shan-Ying Chu</i> 2) M_012_09 World Market Integration, Wealth, and the Rule of Law by <i>Charmen Loh</i> 3) M_015_09 Logistics management: The Opportunity for Thailand’s Competitiveness by <i>Asawin Pasutham and Prasanta Kumar Dey</i> 4) M_024_09 Selling Channels Assessment: The Consumer View by <i>Noppamash Suvachart</i> 5) M_016_09 A Prospective Process of Human Resource Development (HRD) for Corporate Social Responsibility (CSR) by <i>Thumwimon Sukserm</i> 6) M_027_09 How green is your supply chain: An analytic hierarchy process-based approach by <i>Berno Nunes</i></p>
<p>19:00–21:00 p.m.</p>	<p>Venue: Lotus Suite 7</p> <p style="text-align: center;">Dinner ... ‘Thai Culture Night’</p>

Program Matrix

July 2, 2009

8.00-9.00 a.m.	Registration
9.00-9.45 a.m. Venue : Lotus Suite 3-4	Keynote Speaker Professor John C. Groth Mays Business School, Texas A&M University, U.S.A. Title of Speech: “Human Capital – The Opportunity: The Promise”
9.45-10.45 a.m. Venue : Lotus Suite 3-4	Keynote Speaker Professor Sharan Jagpal Rutgers University, U.S.A. Title of Speech: Fusion for Profit: How Marketing and Finance Can Work Together to Create Value
10.45-11.00 a.m. Venue: Pre- Function	Coffee Break
11.00–12.00 a.m. Venue: Lotus Suite 3-4	Keynote Speaker Prof. Randolph P. Beatty, University of Southern California, U.S.A. Title of Speech: What’s Next? Business, Politics, and Globalization
12.00–13.00p.m. Venue: Lotus Suite 1-2	Lunch
13:00-14:30 p.m.	Academic Sessions
	<p>Session 10: Capital Structure Chairperson: <i>Robin Luo</i> Venue: Lotus Suite 3</p> <p>1) F022.09 : Testing the Pecking Order Theory of Capital Structure in the Bank-based and Market-based Economies by <i>Nuttawat Visaltanachoti, Robin Luo and Ming Li</i></p>

- 2) **F046.09** : A Note on Capital Structure Target Adjustment – Indonesian Evidence by *Ludwig F. M. Reinhard and Steven Li*
- 3) **F051.09** : Determining the Capital Structure of a Firm with A Generalized Interest Rate Process by *Chuang-Chang Chang, Jun-Biao Lin and Chun-Chieh Yang*
- 4) **F059.09** : Firm-Specific news and Volatility of Stock Return by *Fariborz Moshirian, Peter Pham, Huong Giang Nguyen*
- 5) **F056.09** : Do Large Shareholders Influence the Dividend Decision of Malaysian Listed Companies? A Study from an Agency Perspective by *Nathasa Mazna Ramli*

Session 11: Stock Market

Chairperson: *Hamid Hassan*

Venue: Lotus Suite 4

- 1) **F007.09** : Exploring the Link between the Option Grants and Performance Gains of Japanese Firms by *Hamid Hassan and Yasuo Hoshino*
- 2) **F020.09** : Do Stock Prices Underreact to Stock Repurchase Announcements? Evidence from a Decomposition of Market-to-Book Ratio by *Lee-Young Cheng and Yue-Ling Fan*
- 3) **F028.09** : Has Political Instability Contributed to Price Clustering on Fiji's Stock Market? By *Paresh Humar Narayan and Russell Smyth*
- 4) **F081.09** : Block Trading Based Volatility Forecasting - The Application of VACD-FIGARCH Model by *Teng-Tsai Tu and Chih-Wei Liao*

Session 12: Stock Market

Chairperson: *Harminder Singh*

Venue: Lotus Suite 9

- 1) **F031.09** : Fama and Frence Risk Factors Constructed from Russell/Nomura Style Indexes: Evidence from Japanese Monthly and Daily Data Sets by *Elhaj Mabrouk Walid, and Wee-Yeap Lau*
- 2) **F039.09** : Commonality in Liquidity and Financial-Market Anomalies: Evidence from the Chinese Stock Market by *Xinwei Zheng and Paresh Kumar Narayan*
- 3) **F029.09** : Do Macroeconomic Variables Explain Stock Market Returns? Some Evidence from the Indian Stock Market Using a Semi-Parametric Approach by *Sagarika Mishra and Harminder Singh*

Session 13: Behavior, Satisfaction, Quality Management, and Team Performance

Chairperson: *Hsiaowen Weng*

Venue: Lotus Suite 10

- 1) **M_022_09** The Relationships among Service Quality, Customer Satisfaction and Behavioral Intention: Evidence from High Speed Rails by *Hsueh-En Hsu*
- 2) **M_057_09** Price-Quality Relationship by *Yung-Chien Lou, Meng-Chun Tsai and Dolly Change*
- 3) **M_025_09** Factor Analysis of Productivity Enhancement by *Thanwadee Chinda*
- 4) **M_026_09** Small Business Creation The supporting role of Universities by *Krisda Bisalyaputra*

<p>14.30-15.00 p.m. Venue: Pre-Function</p>	<p style="text-align: center;">Coffee Break</p>
<p>15:00-16:30 p.m.</p>	<p style="text-align: center;">Academic Sessions</p> <p>Session 14: Information Asymmetry and Term Structure Chairperson: <i>Suluck Pattarathammas</i> Venue: Lotus Suite 3</p> <p>1) F065.09 : A Unified Model: Arbitrage-free Term Structure Movements of Flow Risks by <i>Thomas S. Y. Ho and Sang Bin Lee</i> 2) F033.09 : What Moves Bond Yields in China? By <i>Longzhen Fan and Anders C. Johansson</i> 3) F068.09 : Linkage between Stock Volatility and Corporate Bond Yield Spread in Thailand by <i>Supat Mongkonkiattichai and Suluck Pattarathammas</i></p>
	<p>Session 15: Financial Accounting Chairperson: <i>John C. Groth</i> Venue: Lotus Suite 4</p> <p>1) F004.09 : Predicting a Firm’s Internal Control Weaknesses: Using a Multiple Criteria Linear Programming Data Mining Approach by <i>Wikil Kwak, Yong Shi and Gang Kou</i> 2) F006.09 : Earnings Quality and Bond Rating: Empirical Evidence in Indonesia by <i>Wuryan Andayani</i> 3) F017.09 : Accounting & Perceived Risk : Critical Implications for Society by <i>John C. Groth and Steven S. Byers</i> 4) F021.09 : The Choice of Auditor and Investor Protection in the Investment Funds Industry by <i>Robin Luo</i> 5) F036.09 : Developments in Internet Financial Reporting: An Indonesian Example by <i>Sasongko Budisusetyo</i></p>
	<p>Session 16: IPOs and Bond Yield Chairperson: <i>Tanweer Hasan</i> Venue: Lotus Suite 10</p> <p>1) F009.09 : The Effect of R&D on the Underpricing of IPOs: The Moderating Effects of Venture Capital and Technology by <i>Anlin Chen, Lanfeng Kao and Cheng Shou Lu</i> 2) F073.09 : Do Smaller Capital Markets Recognize Differentiated Corporate Governance Structure? Evidence from the Indonesian IPOs by <i>Tanweer Hasan and Muliaman Hadad</i> 3) F071.09 : An Application of Conditional Copula for the Risk Management of Fixed Income Portfolio by <i>Anyu Khanthavit and Chaipakorn J.kunopakorn</i> 4) F076.09 : Asymmetric GARCH value at Risk of SPY by <i>Yongchern Su, Hsini Lien and Peiwen Chen</i> 5) F064.09 : Copula-Based Models for VaR Calculation in Emerging Markets by <i>Mei-Yueh Huang, Jun-Biao Lin and Tsung-Wei You</i></p>