

**FINA 869: Seminar in Financial Research
Spring 2017**

MW 10:50AM – 12:20PM Section 001 DMSB 110

Professor: Dr. Allen N. Berger
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Office Hours: MW 9:00 AM – 10:30 AM; and by appointment

Course Overview:

This course is structured around the theme of empirical research in finance. We will cover important topics not generally covered in 5 basic required PhD finance classes. All of the slides and articles for the class will be available electronically on BlackBoard.

The structure of the course is as follows; on most Mondays one of the finance professors will present a new research topic, on Wednesday of that same week, one of the students will present a paper on that same topic chosen by the professor that presented on that Monday. Other class periods will be filled in by students presenting their own research. The course schedule shown below gives a rough approximation of when the professors and students will give their presentations.

The choice of which students present which articles will be left up to the students to decide among themselves subject to each student presents approximately an equal number of times. The equality rule also applies to the presentations of the students' own research.

Suggestions for Student Presentations of the professional papers and their own research papers:

Students will present PowerPoint slides of the papers. There should be no more than about 30 slides per presentation. Make the font size big enough to read from across the room and make sure that the slides are numbered.

Slide 1 – The title of the paper, name of journal (or working paper), and date, authors' and the presenter's names.

Next slides – Background, why is this topic important and interesting?

What are the main hypotheses tested or questions addressed?

What is the unique contribution of this paper?

What is the data set?

What are the equations estimated?

What are the results – usually in table and/or figure form – and what do they imply about the hypotheses being tested or questions asked?

Note that the tables and figures can often be copied electronically from the PDF files provided on BlackBoard.

What are the conclusions?

What are the policy implications, if any?

Finally, for the presentations of professional articles, end by adding a short discussion of what was wrong or you would do differently (pretend you are the discussant at a conference and you only have a couple of minutes).

There are three goals of the presentations.

1. Help the presenter and the rest of the class to understand the contribution of the article.
2. Help the presenter learn how to make professional presentations. Both of these skills will be needed in your careers as financial economists.
3. Provide ideas for additional original research papers.

Final Grade Computation:

Presentation of Professional Papers	40%
Presentation of Students' own Research	40%
Class Discussion	20%

Class Evaluations:

Class evaluations will be online.

Learning Outcomes:

The students are expected to become knowledgeable regarding a number of additional topics in finance; to become skilled at professional presentation and discussion of research; learn how to come up with and implement original research ideas.

Policies:

Students are expected to comply with the University of South Carolina Honor Code, which is detailed below.

University of South Carolina Honor Code

It is the responsibility of every student at the University of South Carolina Columbia to adhere steadfastly to truthfulness and to avoid dishonesty, fraud, or deceit of any type in connection with any academic program. Any student who violates this Honor Code or who knowingly assists another to violate this Honor Code shall be subject to discipline.

The Honor Code is intended to prohibit all forms of academic dishonesty and should be interpreted broadly to carry out that purpose. The following examples illustrate conduct that violates this Honor Code, but this list is not intended to be an exhaustive compilation of conduct prohibited by the Honor Code:

1. Giving or receiving unauthorized assistance, or attempting to give or receive such assistance, in connection with the performance of any academic work.
2. Unauthorized use of materials or information of any type or the unauthorized use of any electronic or mechanical device in connection with the completion of any academic work.
3. Access to the contents of any test or examination or the purchase, sale, or theft of any test or examination prior to its administration.
4. Use of another person's work or ideas without proper acknowledgment of source.
5. Intentional misrepresentation by word or action of any situation of fact, or intentional omission of material fact, so as to mislead any person in connection with any academic work (including, without limitation, the scheduling, completion, performance, or submission of any such work).
6. Offering or giving any favor or thing of value for the purpose of influencing improperly a grade or other evaluation of a student in an academic program.
7. Conduct intended to interfere with an instructor's ability to evaluate accurately a student's competency or performance in an academic program.

Whenever a student is uncertain as to whether conduct would violate this Honor Code, it is the responsibility of the student to seek clarification from the appropriate faculty member or instructor of record prior to engaging in such conduct.

Contribution: Contribution is a necessary and essential ingredient in the real business community. Contribution includes comments, questions, and article discussions.

Academic Honesty: All college and department policies on academic honesty will be strictly enforced. The [Student Handbook and Policy Guide](#) establishes rights to which the student is entitled and the responsibilities, which the student must assume. Along with preparing for and attending class, each student has the responsibility of promoting high academic standards. Academic dishonesty includes: (a) cheating, (b) fabrications and falsifications, (c) multiple submissions, (d) plagiarism, (e) complicity in academic dishonesty. Inappropriate classroom behavior may result in the student being withdrawn from the class.

Attendance: Consistent with University Policy as stated in the [Student Handbook](#). Each student is allowed three (3) unexcused absences from class period. Each absence in excess of three will result in a one-letter grade reduction in the final grade. Think of this class as your job – arrive on time and be prepared to participate. All student activities associated with university events

(sports absences, student activities requiring absence from the university, etc.) are considered excused, but **MUST** be cleared with the professor **PRIOR** to their occurrence.

Americans With Disability Act: Every reasonable attempt will be made to remove any physical barrier, which may hamper the ability of an individual to learn in this classroom. Anyone who has a physical or learning limitation that would impact attendance, preparation, participation, or timely completion of assignments should feel welcome to discuss this limitation with the professor at the beginning of the semester.

Dropping the Course: College policies will be followed. Please consult the schedule for exact dates for dropping a course without penalty.

Course Schedule SPRING 2017	
January 9, Mon.	Presenting Professor: Yongqiang Chu Topic: How to do Rigorous Empirical Research
January 11, Wed.	Student Presentation Paper: “Debt Renegotiation and Debt Overhang: Evidence from Lender Mergers”
<i>January 16, Mon.</i>	<i>Dr. Martin Luther King, Jr. Service Day - no classes</i>
<i>January 17, Tues.</i>	<i>Last day to change a course schedule or drop a course without a grade of "W" being recorded</i>
January 18, Wed.	Student Presentation Topic: Student Research
January 23, Mon.	Presenting Professor: Sergey Tsyplov Topic: Dynamic Models in Corporate Finance
January 25, Wed.	Student Presentation Paper Chosen by Professor Tsyplov
January 30, Mon.	Presenting Professor: Eric Powers Topic: Empirical Fixed Income
February 1, Wed.	Student Presentation Paper Chosen by Professor Powers
February 6, Mon.	Presenting Professor: Chao Jiang Topic: Insider Trading and Legal Expertise
February 8, Wed.	Student Presentation Paper Chosen by Professor Jiang
February 13, Mon.	Presenting Professor: Hugh Kim Topic: Life-cycle Portfolio Choice
February 15, Wed.	Student Presentation Paper: “Time is Money: Rational Life Cycle Intertia”

February 20, Mon.	Presenting Professor: Vahid Irani Topic: Takeover Anticipation and Design of Event Studies
February 22, Wed.	Student Presentation Paper: "Merger Negotiations with Stock Market Feedback"
February 27, Mon.	Student Presentation Topic: Student Research
March 1, Wed.	Student Presentation Topic: Student Research
<i>March 2, Thurs.</i>	<i>Last day to drop course or withdraw without a grade of "WF" being recorded</i>
<i>March 6, Mon.</i> <i>March 8, Wed.</i>	<i>Spring break - no class</i> <i>Spring break - no class</i>
March 13, Mon.	Presenting Professor: Oz Ince Topic: Ownership Data (institutional and insider) and Test Design
March 15, Wed.	Student Presentation Paper Chosen by Professor Ince
March 20, Mon.	Presenting Professor: Wenhao Yang Topic: Experiments in Financial Markets
March 22, Wed.	Student Presentation Paper: "Information Percolation in Segmented Markets"
March 27, Mon.	Presenting Professor: Greg Niehaus Topic: Capital Structure Issues for Insurers
March 29, Wed.	Student Presentation Paper Chosen by Professor Niehaus
April 3, Mon.	Presenting Professor: Greg Niehaus Topic: Other Issues for Insurers

April 5, Wed.	Student Presentation Paper Chosen by Professor Niehaus
April 10, Mon.	Student Presentation Topic: Student Research
April 12, Wed.	Student Presentation Topic: Student Research
April 17, Mon.	Presenting Professor: Allen Berger Topic: Regulatory Friction in Bank Merger Guidelines and Credit Availability: A New Approach
April 19, Wed.	Student Presentation Paper: "Do Depositors Discipline Banks and Did Government Actions During the Recent Crisis Reduce this Discipline? An International Perspective"
April 24, Mon.	Student Presentation Topic: Student Research

BIOGRAPHICAL SUMMARY

Allen N. Berger

Allen N. Berger is the H. Montague Osteen, Jr., Professor in Banking and Finance and Ph.D. coordinator of the Finance Department, Moore School of Business, and Carolina Distinguished Professor, University of South Carolina; Senior Fellow, Wharton Financial Institutions Center; Fellow, European Banking Center; and Secretary/Treasurer, Financial Intermediation Research Society. He also currently serves on the editorial boards of six professional finance journals. In addition, Professor Berger is past editor of the *Journal of Money, Credit, and Banking* and has co-edited six special issues of various professional journals and both editions of the *Oxford Handbook of Banking*. His research covers a variety of topics related to financial institutions. He is co-author of *Bank Liquidity Creation and Financial Crises* (Elsevier). He has published over 100 professional articles in refereed journals, including papers in top finance journals, *Journal of Finance*, *Journal of Financial Economics*, *Review of Financial Studies*, and *Journal of Financial and Quantitative Analysis*; top economics journals, *Journal of Political Economy*, *American Economic Review*, and *Journal of Monetary Economics*; and other top professional business journals, *Managerial Science* and *Journal of Business*; and over 30 other non-refereed publications. Professor Berger was Senior Economist from 1989 to 2008 and Economist from 1982-1989 at the Board of Governors of the Federal Reserve System. He received a Ph.D. in Economics from the University of California, Berkeley in 1983, and a B.A. in Economics from Northwestern University in 1976.