

# APAD 2024

The 20<sup>th</sup> Annual Conference of the  
Asia-Pacific Association of Derivatives

## Korea Derivatives Association

Korea Institute of Financial Investment 12F,  
67-8, Yeouinaru-ro, Yeongdeungpo-gu, Seoul 07327, Korea  
Tel +82-2-2003-9923 E-mail office@kdajdqs.org  
<https://www.kdajdqs.org>

[www.kdajdqs.org](http://www.kdajdqs.org)

# APAD 2024

The 20<sup>th</sup> Annual Conference of the  
Asia-Pacific Association of Derivatives

**Date** July 8 - 9, 2024

**Venue** Park Hyatt Busan, Korea

**Organizer**  Korea Derivatives  
Association



## Sponsors

 **KRX**  
KOREA EXCHANGE

 **MIRAE ASSET**  
Global Investments

 **NH** INVESTMENT  
& SECURITIES

 **Shinhan Securities**

 **SAMSUNG**  
SAMSUNG  
ASSET MANAGEMENT

 **KB Securities**

 **KB Financial Group Inc.**

 Korea Financial  
Investment  
Association

 **true friend** Korea Investment  
Management Co., Ltd.

 **MIRAE ASSET**  
Mirae Asset Securities

 **Daishin** Songchon Foundation

 **KIWOOM**  
ASSET MANAGEMENT

 **NH-Amundi**  
for Asset Management

 **Shinhan Asset Management**

 **NRF** National Research  
Foundation of Korea

## Welcoming Message

Dear all participants

It is our great pleasure to extend a warm welcome to all of you to the 20<sup>th</sup> Annual Conference of the Asia-Pacific Association of Derivatives (APAD), hosted by the Korean Derivatives Association. This year, the conference will take place on July 8<sup>th</sup> and 9<sup>th</sup> at the Park Hyatt Busan, in collaboration with the generous support of the Korea Exchange and other sponsors.

Over the past two decades, the APAD conference has grown to be a highly regarded platform for experts and researchers from all over the world to present and discuss their outstanding works. Their contributions have had a profound impact not only on academia but also on the industry and regulatory authorities, offering innovative insights. This year, 120 papers have been submitted from 20 countries, spanning Asia, North America, Australia, and Europe. Through a rigorous review process, 27 excellent papers have been selected for presentations. These papers cover a wide spectrum of theoretical and empirical topics, including derivatives, asset pricing, market microstructure, corporate finance, financial intermediation, and ESG.

We are honored to announce that our keynote speaker for this year's APAD conference is Prof. Jaewon Choi from Seoul National University. Prof. Choi's presentation, titled "Hidden Duration: Interest Rate Derivatives in Fixed Income Funds," promises to provide exciting new perspectives into how bond funds utilize interest rate derivatives in their portfolios. With his extensive research contributions in the field, we firmly believe it will be a captivating talk for the audience. We are also proud to present a special symposium entitled "New Promises and Challenges in the Derivatives Market", which consists of two presentations: "Evolving Dynamics in the Global ETD Market: Insights and Implications", and "Financialization of Commodities," led by two experts, Dr. Aejin Ha from Korea Exchange and Prof. Daejin Kim from Sungkyunkwan University, respectively. These presentations will enhance our understanding of the nascent issues and challenges for the future of derivatives markets.

We believe that our conference will serve as an arena for researchers, practitioners, policymakers, and all participants to engage in open-minded dialogue and seek innovative solutions and directions for the various issues arising in the capital market in this age of turbulence. We hope that the presentations and discussions throughout the conference will stimulate insightful research questions and provide novel perspectives.

On behalf of the APAD committee members, we express our deepest gratitude to all the presenters, discussants, session chairpersons, and attendees for sharing their invaluable insights and experiences. We are also immensely grateful to the sponsors who provide generous support, making it possible to successfully host this excellent conference.

We sincerely hope that your time at the conference will be both enjoyable and rewarding. Let us come together, embrace the spirit of collaboration, and contribute to the growth and advancement of academia and the industry.

**Eun Jung Lee, Ph.D.**  
President of the Korea Derivatives Association

**Noolee Kim, Ph.D.**  
Program Chair of the APAD 2024 Conference

## Program of the Conference

Monday, July 8		
13:30 ~	Registration (33F)	
14:00 ~ 15:30	Academic Sessions 1, 2, 3	
15:50 ~ 17:20	<b>Special Symposium (Ballroom 2F)</b> <b>"New Promises and Challenges in the Derivatives Market"</b>	
	Moderator	Sol Kim (Hankuk University of Foreign Studies)
	Presenters	Aejin Ha (Korea Exchange) <b>"Evolving Dynamics in the Global ETD Market: Insights and Implications"</b> Daejin Kim (Sungkyunkwan University) <b>"Financialization of Commodities"</b>
	Discussants	Jaeram Lee (Hankuk University of Foreign Studies) JinGi Ha (Soongsil University)
17:40 ~ 20:00  Zoom ID: 908 020 5860	<b>Keynote Speech, Best Paper Awards and Dinner (Ballroom)</b>	
	Welcoming Remarks	Eun Jung Lee (Hanyang University, President of the Korea Derivatives Association)
	Congratulatory Message for 20 <sup>th</sup> APAD	Tong Suk Kim (KAIST)
	Congratulatory Message	Kyung Sik Lee (President & CEO of Derivatives Market, KRX)
	Keynote Speech	Jaewon Choi (Seoul National University) <b>"Hidden Duration: Interest Rate Derivatives in Fixed Income Funds"</b>
	APAD Derivatives Awards 2024	Eun Jung Lee (Hanyang University, President of the Korea Derivatives Association) Derivatives House of the Year, 2024 Derivatives Player of the Year, 2024
Best Paper Awards	Byung Jin Kang (Soongsil University, Editor of JDQS) KRX Paper Award NH Investments and Securities Paper Award Shinhan Securities Paper Award	

Tuesday, July 9	
08:00 ~ 09:00	Breakfast(Dining Room 32F)
09:00 ~ 10:30	Academic Sessions 4, 5, 6
10:40 ~ 12:10	Academic Sessions 7, 8, 9

### Academic Session Program

Time	Session Topics	Room	Zoom ID
Monday, July 8 14:00 ~ 15:30	Session 1	Derivatives	DrawingRoom 1 525 765 9166
	Session 2	Banking and Credit Supply	DrawingRoom 3 216 804 7366
	Session 3	Investments	DrawingRoom 4 845 772 0284
Tuesday, July 9 09:00 ~ 10:30	Session 4	Market Microstructure	DrawingRoom 1 525 765 9166
	Session 5	Mutual Funds and Financial Intermediation	DrawingRoom 3 216 804 7366
	Session 6	Corporate Finance	DrawingRoom 4 845 772 0284
Tuesday, July 9 10:40 ~ 12:10	Session 7	ESG	DrawingRoom 1 525 765 9166
	Session 8	Volatility and Bubble	DrawingRoom 3 216 804 7366
	Session 9	Empirical Finance	DrawingRoom 4 845 772 0284

**Academic Sessions 1, 2, 3**

14:00~15:30, Monday, July 8

**Session 1 Derivatives**

Drawing Room 1 / Zoom ID 525 765 9166 Chair Bart Frijns (Open Univ. of the Netherlands)

Title	Authors	Discussant
Term Structure and Risk Premiums of Commodity Futures with Linear Regressions	Daejin Kim* (Sungkyunkwan Univ.)	Hyoung-Goo Kang (Hanyang Univ.)
Expected Skewness, Forecast Combination, and Commodity Futures Returns	Jun Cai (City Univ. of Hong Kong) Bart Frijns (Open Univ. of the Netherlands) Robert I. Webb* (Univ. of Virginia)	Sang-Ook (Simon) Shin (UNIST)
The Derivative Payoff Bias	Guido Baltussen (Erasmus Univ. Rotterdam) Julian Terstegge (Copenhagen Business School) Paul Whelan* (The Chinese Univ. of Hong Kong)	Hogyu Jhang (Chungnam National Univ.)

**Session 2 Banking and Credit Supply**

Drawing Room 3 / Zoom ID 216 804 7366 Chair Kyojik "Roy" Song (Sungkyunkwan Univ.)

Title	Authors	Discussant
Bank Sentiment and Loan Loss Provisioning	Junsung Bae* (KAIST) Allen N. Berger (Univ. of South Carolina) Hyun-Soo Choi (KAIST) Hugh Hoikwang Kim (Univ. of South Carolina)	Shu-Cing Peng (National Central Univ.)
Nonbank Growth and Local Housing Prices	Hyun-Soo Choi* (KAIST) Yongheng Deng (Univ. of Wisconsin-Madison) Heejin Yoon (Univ. of Wisconsin-Madison)	Dong Beom Choi (Seoul National Univ.)
Who Benefits from Sustainability-linked Loans?	Kai Du (Penn State Univ.) Jarrad Harford (Univ. of Washington) David Shin* (Univ. of Oklahoma)	Sungbin Sohn (Sogang Univ.)

**Session 3 Investments**

Drawing Room 4 / Zoom ID 845 772 0284 Chair Changjun Lee (Hankuk Univ. of Foreign Studies)

Title	Authors	Discussant
Divided Government and the Stock Market	Theofanis Papamichalis (Univ. of Cambridge) Dean Ryu* (Harvard Univ.) Mungo Wilson (Univ. of Oxford)	Tai-Yong Roh (Liaoning Univ.)
Style Switching and Asset Pricing	Huaixin Wang* (Tsinghua Univ.)	Sungjune Pyun (Yonsei Univ.)
Short-Term Overreaction and the Cross-Section of Stock Returns	Jihoon Goh (Pusan National Univ.) Donghoon Kim* (KAIST) Sonya S. Lim (DePaul Univ.)	Changjun Lee (Hankuk Univ. of Foreign Studies)

**Academic Sessions 4, 5, 6**

09:00~10:30, Tuesday, July 9

**Session 4 Market Microstructure**

Drawing Room 1 / Zoom ID 525 765 9166 Chair Daejin Kim (Sungkyunkwan Univ.)

Title	Authors	Discussant
A Rational Interpretation to the Automated Market Makers Design	Zhengge Zhou* (The Univ. of Warwick)	Byung Hwa Lim (Sungkyunkwan Univ.)
Can AI-enabled Limit Orders Thwart Latency Arbitrage?	Seongkyu "Gilbert" Park* (Willamette Univ.) Patrik Sandas (Univ. of Virginia)	Albert J. Lee (Hanyang Univ.)
Empirical Analysis of Informed Trading Measures in the VIX Options Market	Chia-I Huang* (National Sun Yat-sen Univ.) Wei-Che Tsai (National Sun Yat-sen Univ.) Hong-Gia Huang (Tunghai Univ.) Chia-Hsuan Lin (National Sun Yat-sen Univ.)	Wonho Cho (Kwangwoon Univ.)

**Session 5 Mutual Funds and Financial Intermediation**

Drawing Room 3 / Zoom ID 216 804 7366 Chair Byoung Uk Kang (Hong Kong Polytechnic Univ.)

Title	Authors	Discussant
Environmental Regulatory Risks, Firm Pollution, and Mutual Funds' Portfolio Choices	Seungho Choi* (Hanyang Univ., Queensland Univ. of Technology) Raphael Jonghyeon Park (Univ. of Technology Sydney) Simon Xu (Harvard Univ.)	Woosung Jung (Seoul Women's Univ.)
Silent Swing: Do Bond Mutual Funds Tilt the Valuations of Their Holdings in Response to Flows?	Jaewon Choi (Seoul National Univ.) Mathias Kronlund (Tulane Univ.) Ji Yeol Jimmy Oh* (Sungkyunkwan Univ.)	Byoung Uk Kang (Hong Kong Polytechnic Univ.)
Access to Credit and Medical Decisions: Can Finance Save Lives?	Janghoon Shon* (Univ. of New South Wales)	Seungho Choi (Hanyang Univ., Queensland Univ. of Technology)

**Session 6 Corporate Finance**

Drawing Room 4 / Zoom ID 845 772 0284 Chair Hyun Seung Na (Korea Univ.)

Title	Authors	Discussant
All Clear for Takeoff: Evidence from Airports on the Effects of Infrastructure Privatization	Sabrina T. Howell (New York Univ.) Yeejin Jang* (Univ. of New South Wales) Hyeik Kim (Univ. of Alberta) Michael S. Weisbach (Ohio State Univ.)	Hyeong Joon Kim (Korea Aerospace Univ.)
Board-Management Commonality, Firm Value, and Board Decision-Making	Jun-Koo Kang (Nanyang Technological Univ.) Jungmin Kim (Hong Kong Polytechnic Univ.) Shu-Cing Peng* (National Central Univ.) Hayong Yun (Michigan State Univ.)	Junho Oh (Hankuk Univ. of Foreign Studies)
Risk Sharing in Supply Chains of Business Groups: Evidence from Trade Credit	Jinzhao Du* (Univ. of New South Wales) Ronald W. Masulis (Univ. of New South Wales) Peter Pham (Univ. of Sydney) Ji Hyun Tak (Univ. of New South Wales)	Hyemin Kim (Hanyang Univ.)

**Academic Sessions 7, 8, 9**

10:40~12:10, Tuesday, July 9

**Session 7 ESG**

Drawing Room 1 / Zoom ID 525 765 9166 Chair Sun-Joong Yoon (Dongguk Univ.)

Title	Authors	Discussant
CEO Compensation and Adverse Shocks: Evidence from Changes in Environmental Regulations	Seungho Choi (Hanyang Univ., Queensland Univ. of Technology) Ross Levine (Stanford Univ.) Raphael Jonghyeon Park* (Univ. of Technology Sydney) Simon Xu (Harvard Univ.)	Chaehyun Kim (Pukyong National Univ.)
Tug of War in Corporate Environmental Lobbying	Byeong-Je An (San Diego State Univ.) Hyun-Soo Choi (KAIST) Hugh Hoikwang Kim (Univ. of South Carolina) Paul Youngwook Kim* (KAIST)	Junho Park (Myongji Univ.)
Managerial Career Concerns and Corporate Environmental Policies	Chang-Mo Kang* (Hanyang Univ.) Donghyun Kim (Chung-Ang Univ.) Taehyun Kim (Chung-Ang Univ.)	Hee-Eun Kim (Myongji Univ.)

**Session 8 Volatility and Bubble**

Drawing Room 3 / Zoom ID 216 804 7366 Chair Young Ho Eom (Yonsei Univ.)

Title	Authors	Discussant
Volatility Disagreement and Asset Prices	Adem Atmaz* (Purdue Univ.) Andrea M. Buffa (Univ. of Colorado Boulder)	Hyun Soo Doh (Hanyang Univ.)
Multiple Rational Bubbles	Jungsuk Han* (Seoul National Univ.) Yenan Wang (Univ. of Amsterdam)	Keeyoung Rhee (Sungkyunkwan Univ.)
Is the Current Bull Market A Bubble? An Empirical Investigation	Soon Hyeok Choi* (Rochester Institute of Technology) Robert A. Jarrow (Cornell Univ.)	Wei-Che Tsai (National Sun Yat-sen Univ.)

**Session 9 Empirical Finance**

Drawing Room 4 / Zoom ID 845 772 0284

Chair Jeongsun Yun (Kookmin Univ.)

Title	Authors	Discussant
Short-Run Income Shocks and Long-Run Distortions in Household Investments	Minsoo Kim (Univ. of Melbourne) Sehoon Kim (Univ. of Florida) Yoon Kang Lee (Univ. of Melbourne) Hoonsuk Park* (Univ. of Melbourne)	Sunwoo Hwang (Korea Univ.)
Rebuilding or Retreating: The Impact of Natural Disasters on Entrepreneurship	Seungjoon Oh* (Peking Univ. HSBC Business School)	DuckKi Cho (Univ. of Sydney)
Constraining Growth: Advance Layoff Notice and Corporate Innovation	Scott Guernsey (Univ. of Tennessee) Gunchang Kim* (Southwestern Univ. of Finance and Economics) Yupeng Lin (National Univ. of Singapore)	Jongho Park (Soongsil Univ.)

**Conference Organizing Committee**

**Program Committee**

- Eun Jung Lee (Hanyang University)  
*\*President of the Korea Derivatives Association*
- Noolee Kim (Hanyang University)  
*\*Program Chair*
- Ji Yeol Jimmy Oh (Sungkyunkwan University)  
*\*Program Main Director*
- Sujung Choi (Soongsil University)
- Ryumi Kim (Chungbuk National University)
- Jun Sik Kim (Incheon National University)
- Jaeram Lee (Hankuk University of Foreign Studies)

**Review Committee**

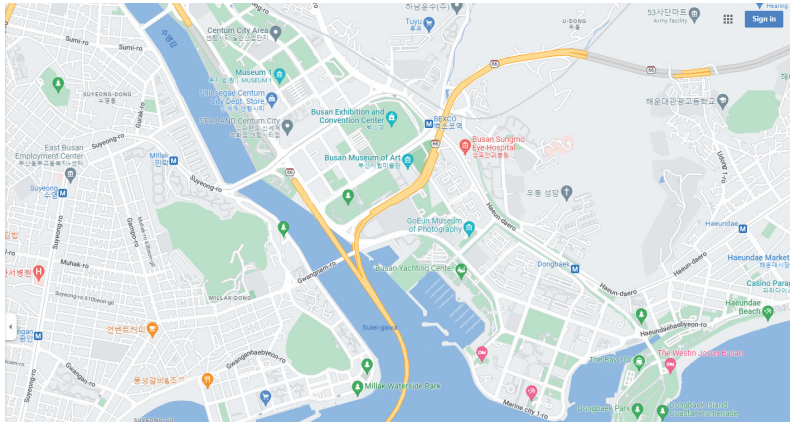
- Byung Jin Kang (Soongsil University)  
*\*Review Committee Chair*
- Yongkil Ahn (Seoul National University of Science and Technology)
- Byeong-Je An (San Diego State University)
- Kwangil Bae (Chonnam National University)
- Jaehyuk Choi (Peking University HSBC Business School)
- Jaewon Choi (Seoul National University)
- Sujung Choi (Soongsil University)
- Jungsuk Han (Seoul National University)
- Yeejin Jang (University of New South Wales)
- Byoungyun Jeon (Marquette University)
- Hae Won Jung (University of Melbourne)
- Byoung Uk Kang (Hong Kong Polytechnic University)
- Hugh Hoikwang Kim (University of South Carolina)
- Jun Sik Kim (Incheon National University)
- Jungmu Kim (Yeungnam University)
- Kyoung-Kuk Kim (KAIST)
- Ryumi Kim (Chungbuk National University)
- Dongyoun Lee (Kookmin University)
- Junyoun Lee (Ajou University)
- Yu Kyung Lee (Pukyong National University)
- Byoung-Kyu Min (Hanyang University)
- Joonki Noh (Case Western Reserve University)
- Ji Yeol Jimmy Oh (Sungkyunkwan University)
- Jong-Min Oh (Sungkyunkwan University)
- Yuen Jung Park (Hallym University)
- Tai-Yong Roh (Liaoning University)
- Sung Won Seo (Konkuk University)
- Shu-Feng Wang (Ajou University)
- Kisung Yang (Soongsil University)
- Sun-Joong Yoon (Dongguk University)

**Operating Committee**

- Hope Hyeun Han (UNIST)
- Hankil Kang (Dankook University)
- Junyoun Lee (Ajou University)
- Yu Kyung Lee (Pukyong National University)
- Shu-Feng Wang (Ajou University)

## Park Hyatt Busan, Korea

# Location Guide



### Taxi

A convenient, free interpretation service is provided by all taxis if guests need to relay directions to the driver and do not speak Korean. Both Standard and Deluxe taxis accept credit card payments.

Standard taxi silver or white color Deluxe taxi black color

### Hotel Limousine

Subject to advance reservations, private limousines are available for transfers to/from the hotel and airport, train station or a city tour. In addition to complimentary wireless Internet access, the limousines offer daily newspapers and magazines, a note pad, bottled water and beverages and more.

[Gimhae International Airport](#) One way - KRW 180,000 [Busan Station](#) One way - KRW 170,000

### Transportation Center

[Gimhae International Airport](#) 25 km (16.7 miles), about 45 minutes by car

[Busan Station](#) 16 km (10 miles), about 30 minutes by car

### Distances to the hotel

[BEXCO Convention Centre](#) about 5 minutes by taxi

[Haeundae \(Beach\)](#) walking distance 500m, about 15 minutes' walk

[Gwangalli \(Beach area and Gwangalli Bridge\)](#) about 10 minutes by taxi

[Centum City \(Luxury department store, BEXCO, APEC, World Business Center\)](#) about 5 minutes by taxi

[Seomyeon \(financial, business and entertainment\)](#) about 20 minutes by taxi

[Nampodong \(shopping and entertainment district\)](#) about 30 minutes by taxi

[Deayeondong \(KyungSung University, nightlife district and UN Memorial Cemetery\)](#) about 20 minutes by taxi