



KOREA AMERICA
FINANCE ASSOCIATION

<http://www.K-AFA.org>

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President's Message

Dear KAFANA Members and Friends:

The sun's warmth tells us the return of the spring. It is great to feel the renewal of life the spring brings to the nature. It is a great honor for me to serve as the president of KAFANA.

First of all, please join me to appreciate Prof. Saeyoung Chang for his outstanding service and leadership for the KAFANA, particularly, the successful completion of the 25th KAFANA Anniversary International Conference (jointly with KCMI and SKKU-GSB) in Seoul last summer. It was a wonderful way of showing KAFANA's strong presence in the world.

I also congratulate and welcome President-Elect Prof. Yoon K. Choi. KAFANA is deeply indebted to Executive Officers for their dedicated and tireless efforts: Vice President Prof. Jung-Hyuk Kim; Secretary-General Prof. Jin M. Kim; Treasurer Prof. Ha-Chin Yi; Secretary-General Korea Prof. Noolee Kim.

KAFANA has received generous donations from the late Dr. Bong-Soo Lee's sons, Chris and Paul. Also, there was an additional matching donation from MicroSoft. These donations will be the scholarship fund for KAFANA PhD students. For the purpose of administering the scholarship, Profs. Ha-Chin Yi, Young Sang Kim, Young Baek, and Jung Chul Park have graciously agreed to serve as the scholarship fund committee. The committee was charged with the investment strategy of the fund as well as the selection criteria for annual scholarship distributions. Following the committee's recommendations, KAFANA will make proper investments and the inaugural scholarship will be awarded in October at the 2017 FMA meetings.

As we had done in previous years, KAFANA successfully offered two KAFANA-FMA sessions at the FMA meetings in Chicago last October. In the first session titled "Issues in Korean Financial Markets" moderated by Prof. Saeyoung Chang, Prof. Bong-Chan Kho (Seoul National University), Dr. Min Kyeong Kwon, (Research Fellow, Korea Capital Market Institute), and Dr. Joung Hwa Choi (Cornell University) presented papers. In the second session titled "Corporate Financial Decisions in Asia" moderated by myself, Professors Dong Wook Lee (Korea University), Kazuo Yamada (University of Nagasaki), Ji-Woong Chung (Korea University) presented papers. Both sessions were very informative and well attended.

During the last year's Annual Business Meeting in Chicago, KAFA also presented several awards to recognize KAFA members' outstanding scholarly achievements. These awards include the two Financial News (FN)-KAFA Eminent Scholar Award, Shinhan Bank (SHB)-KAFA Young Scholar Award, SHB-KAFA Best Paper Awards, FN-KAFA Top Journal Paper Awards, and FN-KAFA Doctoral Student Dissertation Awards. In addition, KAFA provided SHB-KAFA doctoral student travel support to seven doctoral students. On behalf of KAFA, I congratulate all award recipients once again and greatly appreciate Financial News and Shinhan Bank for their generous financial support for KAFA awards.

As usual, KAFA is soliciting papers for joint conferences with our Korean partners this summer-- Allied Korean Financial Associations and the KIF. You will find more detailed information about the joint conferences in this Newsletter. As done in previous years, KAFA presenters of selected papers will be provided with partial travel support.

KAFA has witnessed an impressive growth over the past twenty five years with your strong support and active participation in various KAFA activities. Recently, there has been a noticeable growth in the number of new members. Your support is the vital part of the KAFA's future growth: Please let PhD students know about the KAFA and various opportunities it provides for them. I look forward to seeing all the members and friends thrive with KAFA.

With Warmest Regards,

Soku Byoun
2017 KAFA President
Baylor University

I. Recent KAFA Activities

1. Two KAFA-FMA special sessions at the 2016 FMA annual meeting in Las Vegas, NV

We appreciate Professors Soku Byoun and Hyun-Han Shin to organize two special sessions in 2016 FMA meetings.

➤ **Issues in Korean Financial Markets**

Friday, October 21, 8:30 - 10:00 am (Miranda 3), Session 165

Moderator: Saeyoung Chang, Professor, University of Nevada, Las Vegas

Panelists:

Bong-Chan Kho, Professor. Seoul National University

Min Kyeong Kwon, Research Fellow. Korea Capital Market Institute

Joung Hwa Choi, Visiting Scholar, Cornell University

➤ **Corporate Financial Decisions in Asia**

Friday, October 21 10:15 - 11:45 am (Miranda 3), Session 198

Moderator: Soku Byoun, Professor, Baylor University

Panelists:

Dong Wook Lee, Professor, Korea University

Kazuo Yamada, Professor, University of Nagasaki

Ji-Woong Chung, Professor, Korea University

2. The 11th International Conference on Asia-Pacific Financial Markets (CAFM 2016) held by Korean Securities Association (KSA) in Seoul, Korea on Saturday, December 2-3, 2016

The following members presented their papers selected by the KAFA review committee:

- Sung C. Bae, "The Determinants of Foreign Currency Debt Financing: Borrower Incentives or Lender Incentives?"
- Peter Chung, "Asymmetric correlation as an explanation for the effect of asset skewness on equity returns."
- Thomas Rhee, "Endogeneity of Return Parameters and Portfolio Selection: An Analysis on Implied Covariances"

II. Call for Papers for Year 2017

1. Joint Conference with Allied Korea Finance Associations (KFAs)

As in previous years, we expect to be part of the 2017 joint conference with Korean counterparts (KFAs). In anticipation of this conference, the KAFA would like to announce a call for papers.

- Topics: Any finance area
- When: **May 26-27, 2017**
- Where: Cheonan
- Submission deadline: March 15, 2017
- Notification of the accepted papers: April 1, 2017 (expect to be 5-6 papers)
- Submit papers to Professor Yoon K Choi, President-Elect, ychoi@ucf.edu
- KFAs will provide partial travel supports for all selected papers for presentation.
- KAFA members presenting papers will be assigned to discuss other papers.
- We strongly encourage all KAFA members (especially junior faculty and those who have not presented papers at the joint conference in the past) to submit papers.

Note: When you submit your paper, please indicate the conference of your choice (e.g., KAFA joint conference with KFAs).

2. Joint Conference with Korea Institute of Finance (KIF)

The annual joint conference with the KIF and the KAFA will be held as a one-day conference. The date is June 1st, 2017. While the main theme for this year's conference is on Political Uncertainty and Economic Challenges", papers dealing with general issues in financial/capital markets and related issues are also welcome.

- Conference date: **June 1st, 2017**
- Submission deadline: **April 1st, 2017**
- Notification of the accepted papers: April 15, 2017
- Submit papers to: Professor Yoon K Choi, President-Elect, ychoi@ucf.edu
- We expect 2 papers to be accepted for the presentation. KIF will provide partial travel supports for the selected papers for presentation.

Note: When you submit your paper, please indicate the conference of your choice (e.g., KAFA joint conference with KIF).

III. KAFA Awards

The 2017 Eminent Scholar Award and the 2017 Young Scholar Award will be nominated and selected by the KAFA Award Nomination Committee. Also, we will continue on the Financial News and Shinhan Bank Best Paper Awards. The detailed information for each award and necessary documentations are as follows.

1. The Financial News-KAFA Eminent Scholar Award

Selection Criteria

The FN-KAFA Eminent Scholar Award is given to a KAFA member who has achieved outstanding scholarly accomplishment and research contribution in leading journals in finance and related fields.

Nomination Procedure

Nominations of award candidates are made by the “KAFA Award Nomination Committee” (Nomination Committee hereafter) that consists of three KAFA members (i.e., president, president-elect, and immediate former president). Nomination Committee can nominate up to three candidates from KAFA life-time members. The nominated candidates are required to submit their review materials such as curriculum vitae and relevant publications to the Nomination Committee before a specified date announced in the KAFA Newsletter.

Selection Procedure

The “KAFA Award Nomination Committee” will forward the names of nominated candidates and their supporting materials to the “KAFA Award Selection Committee” (Selection Committee hereafter) for the selection of the final award recipient. Selection Committee that consists of three KAFA members (including former KAFA presidents and past FN-KAFA Eminent Scholar Awardees)* will review nominees’ research credentials and select a single award recipient on the basis of the nominee’s scholarly accomplishment and research contribution to the field. Selection Committee may request nominees to provide additional information. The recipient of this honor is required to receive the award in person at the KAFA annual meeting and expected to organize a KAFA’s FMA panel sessions together with KAFA president-elect in the following year.

Monetary Award

There will be a prize of **\$5,000** along with an award plaque.

* Two former KAFA presidents and no more than two past awardees will serve as members of the Committee.

2. The SHB-KAFA Young Scholar Award

Selection Criteria

The SHB-KAFA Young Scholar Award is given to a KAFA member who has demonstrated exemplary scholarly performance through publications in leading journals in finance and related fields. Those KAFA members who earned his or her Ph.D. degree within seven years prior to the award date would be considered for the award.

Nomination Procedure

Nominations of award candidates are made by the “KAFA Award Nomination Committee” (Nomination Committee hereafter) that consists of three KAFA members (i.e., president,

president-elect, and immediate former president). Nomination Committee can nominate up to three candidates from KAFAs life-time members. The nominated candidates are required to submit their review materials such as curriculum vitae and relevant publications to the Nomination Committee before a specified date announced in the KAFAs Newsletter.

Selection Procedure

The “KAFAs Award Nomination Committee” will forward the names of nominated candidates and their supporting materials to the “KAFAs Award Selection Committee” (Selection Committee hereafter) for the selection of the final award recipient. Selection Committee that consists of three KAFAs members (including former KAFAs presidents and past FN-KAFAs Eminent Scholar Awardees)* will review nominees’ research credentials and select a single award recipient on the basis of the nominee’s scholarly achievements and research contribution to the literature based on their published and forthcoming papers in internationally recognized journals prior to the award date. Selection Committee may request nominees to provide additional information. The recipient of this honor is required to receive the award in person at the KAFAs annual meeting.

Monetary Award

There will be a prize of **\$2,500** along with an award plaque.

* Two former KAFAs presidents and no more than two past awardees will serve as members of the Committee.

3. Call for the 11th Financial News & KAFAs Top-Journal Paper Award

If you have papers published or accepted for the top three journals; *Journal of Finance*, *Journal of Financial Economics*, or *Review of Financial Studies*, during the period of September 2016 through August 2017, please provide us with the following information for the consideration of this award. The author of the selected paper will be awarded a cash grant of \$2,500 along with a plaque by the representative of Financial News at the annual KAFAs banquet during the 2017 FMA Meetings.

4. Call for the 11th Financial News & KAFAs Doctoral Student Dissertation Award

If you are currently doctoral student (ABD status), please submit your dissertation for the consideration of this award. One or two dissertations will be selected for the awards. Each author will be awarded a cash grant of \$1,500 along with a plaque by the representative of Financial News at the annual KAFAs banquet during the 2017 FMA Meetings.

5. Call for the 11th Shinhan Bank & KAFAs Best Paper Award

The KAFAs and Shinhan Bank jointly announce that they will select the best research paper/proposal in the all areas of finance written by KAFAs members. The author(s) of selected paper/proposal will be awarded a cash grant of \$2,500 along with a plaque by the representative of Shinhan Bank at the annual KAFAs banquet during the 2017 FMA Meetings.

6. Shinhan Bank and KAFA Scholarship for Ph.D. students

Ph.D. students, who present a paper at the annual 2017 FMA meeting, will be awarded a scholarship of \$500 for research support. Please submit your information including name, affiliation, and accepted paper to the secretary general by August 15, 2017. (kimjm@business.rutgers.edu)

7. Dr. Bong-Soo Lee Memorial Scholarship for Ph.D. students

In 2016, KAFA has established a scholarship fund in memory of the late Dr. Bong-Soo Lee, a longtime KAFA member and past President. His surviving children, Chris and Paul Lee, and Microsoft Corporation have contributed to the scholarship, which will make a \$2,500 award annually. If you are eligible, please submit (1) your curriculum vitae and (2) a research paper for the consideration of this award. A recipient will be awarded a cash grant of \$2,500 along with a plaque by the president of KAFA at the annual KAFA banquet during the 2017 FMA Meetings.

Eligibility: To be considered for the Scholarship, you must meet these minimum requirements:

- (1) Be currently a Ph.D. student; and
- (2) Be currently an active KAFA member or will pay a lifetime membership fee (\$300) upon the award announcement

Selection criteria include but are not limited to the following:

- (1) Research potentials of the applicant reflected in vitae and the submitted research paper; and
- (2) Leadership roles of the applicant in promoting research activities among new and junior members such as assisting KAFA officers in regards to KAFA research activities.

**** Required information for the Awards:**

- ✓ Title of the Paper, Author(s) (names, affiliations, phones, e-mails), Name of the Journal Issue Date, Volume, and Page Numbers (if published), Copy of the Acceptance Letter (if accepted but not yet published), and Electronic Copy of the Paper
- ✓ Submission Deadline: August 15, 2017
- ✓ Submit materials to: Soku Byoun, President, Soku_Byoun@baylor.edu
- ✓ All award winners should attend the annual meeting to receive monetary awards.

IV. Member News

1. Publication

Following is a list of recent publications by KAFA members. Only those provided to the KAFA office by the authors and the paper published or accepted in year 2016-2017 are listed here.

- Jongmoo Jay Choi, ed., *The political economy of Chinese finance*, (with M. Powers and X. Zhang), *International Finance Review*, Volume 17, Emerald Publishing, December 2016, ISBN: 978-1-78560-958-9. (Ch. 1 by coeditors: Market socialism with ‘Chinese characteristics’)
- Jun-Koo Kang and Hyun Seung Na, “Are institutional investors with multiple blockholdings effective monitors?,” (co-authored with Juan Luo), *Journal of Financial Economics* (forthcoming)
- E. Han Kim, “Executive Suite Independence: Is It Related to Board Independence?,” (co-authored with Yao Lu), *Management Science* (forthcoming)
- Yong H. Kim "Performance Volatility, Information Availability, and Disclosure Reforms" (co-authored with with R. Fu, F. Gao, and B. Qiu), 2017, *Journal of Banking and Finance*, 75 (2), 35-52
- S. Ghon Rhee, “Trade-Based Manipulation in IPOs: Beyond the Prosecuted Cases,” (co-authored with Suman Neupane and Madhu Veeraraghavan), 2017, *Journal of Corporate Finance* 42, 115-130.
- S. Ghon Rhee, “Do Progressive Social Norms Affect Economic Outcomes? Evidence from Corporate Takeovers” (co-authored with Yangyang Chen, Edward J. Podolski, and Madhu Veeraraghavan), 2017, *Journal of Empirical Finance* 41, 76-95.
- S. Ghon Rhee, “Religious Beliefs and Local Government Financing, Investment, and Cash Holding Decisions” (co-authored with Yangyang Chen, Zoltan Murgulov, and Madhu Veeraraghavan), 2016, *Journal of Empirical Finance* 38, 258-271.
- S. Ghon Rhee, “Venture capital backed Commitments Test Entity Initial Public Offerings on the ASX” (co-authored with Zoltan Murgulov, Alastair Marsden, and Madhu Veeraraghavan), *Accounting and Finance* (forthcoming).

VI. Other Announcement

1. KAFA website (www.k-afa.org) will be updated including KAFA news, membership, and members’ activities. Please be patient with the update as we are in transition. Also, please give your suggestions or comments to the Secretary General (kimjm@business.rutgers.edu).
2. We need more active participation of currently inactive finance professors and/or Ph.D. students for KAFA involvement. We strongly encourage you to introduce KAFA to your colleagues for their new membership.

- Please pay your annual membership dues, or preferably, be a life- time member by paying one time due of just \$300, mailed to: Ha-Chin Yi, Texas State University hy11@txstate.edu

KAFA Officers and Executive Board 2017

- President
- President-Elect
- Vice President
- Secretary General
- Secretary General KAFA Korea
- Treasurer
- Executive Board

Soku Byoun, Baylor University
Yoon K Choi, University of Central Florida
Joong Hyuk Kim, Korea University
Jin-Mo Kim, Rutgers University
Noolee Kim, Hanyang University
Ha-Chin Yi, Texas State University

H. Young Baek (2017), Nova Southeastern University
Jung Chul Park (2017), University of South Florida
Hyuna Park (2017), Brooklyn College - CUNY
Sam Y. Chung (2019), Long Island University
Young Sang Kim (2019), Northern Kentucky University
Won Yong Kim (2019), Dickinson College

Advisory Board

All previous presidents

