

## PROGRAM

### Conference on Volatility and Market Structure

Financial Markets Research Center  
Owen Graduate School of Management  
Vanderbilt University  
Nashville, TN 37203

April 5-6, 1990

#### Thursday, April 5, 1990 – University Club

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|---------------------|---|
| 8:30 AM – 9:00 AM   | Coffee  |
| 9:00 AM – 9:15 AM   | Introductory remarks. Dean Martin Geisel.   |
|                     | <u>Thursday Morning: Research at the FMRC.</u><br>University Club Garden Room   |
| 9:15 AM – 9:30 AM   | Overview of research at the Center. Hans R. Stoll, Owen School.   |
| 9:30 AM – 10:00 AM  | Stock Market Volatility and the Information Content of Stock Index Options. Craig Lewis, Owen School, and Theodore Day, University of North Carolina. |
| 10:00 AM – 10:30 AM | Asymmetric Information, Trade Sizes and Dealer Pricing: Theory and Empirical Evidence. Paul Laux, University of Texas.                                |
| 10:30 AM – 10:45 AM | Break   |
| 10:45 AM – 11:15 AM | Expiration Day Volatility Revisited. Hans Stoll, Owen School, and Robert Whaley, Duke University.   |
| 11:15 AM – 11:45 AM | The Behavior and Prediction of Dispersion in Equity Returns. William Christie and Roger Huang, Owen School.   |
| 12:00 PM – 2:00 PM  | <u>Luncheon.</u> University Club Hermitage Room B. Members of the FMRC Advisory Board will meet separately in Hermitage Room A.                       |
|                     | <u>Thursday afternoon: Volatility</u><br>University Club Garden Room  |
| 2:15 PM – 2:50 PM   | Intraday volatility and program trading. George Sofianos, New York Stock Exchange.  |

2:50 PM – 3:25 PM	Efficacy of circuit breakers. Kenneth Lehn, Securities and Exchange Commission.
3:25 PM – 4:10 PM	Volatility in the foreign exchange market during trading and non-trading intervals. Roger Huang, Owen School, and Campbell Harvey, Duke University.
4:10 PM – 4:30 PM	Break
4:30 PM – 6:00 PM	<p><u>Public panel discussion: Regulatory Issues in the Financial Markets.</u>  Chairman: Tone Grant, President, Refco Group Ltd. Averbuch Auditorium.</p> <p>Panelists will present their views on a variety of issues that are before the regulators and the Congress. These include the jurisdiction of the SEC and CFTC, margins, dual trading, competitive trading of options, market linkages, automation of markets, program trading, circuit breakers, global trading and other matters.</p> <p>Kenneth Lehn, Chief Economist, Securities and Exchange Commission.</p> <p>James L. Cochrane, Senior Vice President and Chief Economist, New York Stock Exchange.</p> <p>Steven Manaster, Chief Economist, Commodity Futures Trading Commission.</p> <p>T.E. “Rick” Kilcollin, Executive Vice President and Chief Economist, Chicago Mercantile Exchange.</p>
6:30 PM – 8:30 PM	<p><u>Reception and Dinner.</u> Vanderbilt Plaza Hotel. Remarks by Duke Chapman, Chairman of the Chicago Board Options Exchange: “Securities Markets: Now and Then.”</p>

Friday, April 6, 1990 – Owen School

8:30 AM – 9:00 AM	Coffee	
	<u>Friday Morning: Market Structure</u>	Room
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9:00 AM – 10:00 AM	Panel on equities. Chairman: Jimmy Bradford, Senior Partner, J.C. Bradford & Co.	

Market structure and volatility. Hans Stoll, Owen School, and Robert Whaley, Duke University.

Research in market structure. Jim Cochrane, New York Stock Exchange.

Automating stock trading: Developments at NASDAQ. Gene Finn, NASD.

10:00 AM – 11:00 AM

Panel on options. Chairman: Duke Chapman, Chicago Board Options Exchange.

Market structure, automation and market linkages. Harold Mulherin, SEC.

Automating the trading pit. Blair Hull, Hull Trading Corp.

Multiple trading of options, market links and market fragmentation. Joe Levin, CBOE.

11:00 AM – 12:00 PM

Panel on futures. Chairman: Tone Grant, Refco Group Ltd.

Assessing the Cost of Regulation: The Case of Dual Trading. Tom Smith and Robert Whaley, Duke University.

Dual trading on futures markets. Steve Manaster, Commodity Futures Trading Commission.

An analysis of dual trading. Todd Petzel, Chicago Mercantile Exchange.

12:15 PM – 1:15 PM

Luncheon. University Club Wedgewood Room.