

**Occasional Seminar Series: Modern Finance - Insights from Academia**  
**“Estimating the Cost of Capital: CAPM variants and alternatives”**

*with speakers:*

*Associate Professor Alastair Marsden, The University of Auckland*

*Associate Professor Michael Dempsey, Monash University*

*Associate Professor John Handley, University of Melbourne*

Date and Time: **Tuesday 16th October 2007, 12.15pm registration/light lunch; 12.45pm– 2.30pm**

Venue: **Innovation@257, Level 1, 257 Collins St. Melbourne**

Capital Asset Pricing Model (CAPM) is commonly used by regulators to determine an appropriate required rate of return on capital invested in regulated industries. Both its theoretical foundations and practical application are matters of debate. Melbourne Centre for Financial Studies and the Australian Consumer and Competition Commission are pleased to invite you to a session at which academic experts will overview contemporary approaches to implementing the CAPM and possible alternatives.

**Alastair Marsden** is an Associate Professor in the Department of Accounting and Finance, The University of Auckland Business School. He teaches risk management, corporate finance, and investments. He also teaches risk management at postgraduate level. Alastair’s research interests are in valuation, cost of capital and equity issues. With Martin Lally he has published in the Pacific Basin Finance Journal and the Accounting Research Journal on estimation of the market risk premium in New Zealand. He has acted as a consultant to the New Zealand Commerce Commission and KPMG Corporate Finance in New Zealand. Alastair is visiting as a guest of Monash University.

**Michael Dempsey** joined Monash University in 2006. Prior to this he was with Griffith University, having previously been at Leeds University, UK. He also has many years experience working for the petroleum exploration industry, in the Middle East, Egypt, Aberdeen and London. His research interests are in volatility and asset pricing formation, the cost of capital for regulated and non-regulated industries, the impact of imputation tax on investment hurdle rates, corporate investment, financing and dividend policies, and behavioural finance.

**John Handley** is an Associate Professor of Finance at the University of Melbourne. He undertakes research in finance and teaches in various corporate finance, investments and derivatives subjects at both undergraduate and postgraduate levels. John spent five years in the corporate finance team of an international investment bank. He has acted as a consultant to the Australian Competition and Consumer Commission, Australian Accounting Standards Board, KPMG Corporate Finance and the New Zealand Commerce Commission. John is also an associate of the Melbourne Centre for Financial Studies.

This occasional series of seminars highlighting leading edge financial research is arranged by the Melbourne Centre with the objective of facilitating knowledge transfer and improving industry-academic contacts. Knowledge transfer between academics and practitioners is a strategic objective of the Melbourne Centre for Financial Studies.

Please note that there is a **limit on the number of attendees** but there is no charge. If you are interested in attending and participating, please indicate by an email to [info@melbournecentre.com.au](mailto:info@melbournecentre.com.au) with the subject header of “Academic Seminar – CAPM and alternatives” by **noon on Monday 15<sup>th</sup> October**.