Editorial

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Biographical notes: Slaheddine Hellara is a Professor of Finance at the Higher Institute of Management in Tunis, Tunisia. His research interests include the term structure of interest rates, derivative markets, risk management, investments, asset pricing theory and corporate governance. He has published several articles in international journals such as *Journal of Finance Risk, Managerial Finance, International Journal of Monetary Economics and Finance*. He is currently President of Tunisian Society for Financial Studies. He is a former student of Higher Institute of Management (Tunis) and holds a PhD in Finance from Rennes University.

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On behalf of the Tunisian Society for Financial Studies (TSFS), the IHE Tunis and IHE Paris, I am honoured and delighted to be the Guest Editor of this Special Issue. This volume includes the papers presented at the Second Annual Tunisian Society for Financial Studies (TSFS) Finance Conference, which took place in Sousse, Tunisia from December 12–13, 2014.

We solicited six technical peer-reviewed papers to be published in our Special Issue. Collectively, these papers are examples of the recent developments in empirical finance that has taken place in recent years.

The aim of the conference is to provide a context of exchange between researchers on current scholarly research in finance. Moreover, the aim is to improve the paper in progress to provide answers to various topical issues.

Papers that are published in this volume have been chosen by the scientific committee of the conference and the review process was followed. These papers examine interesting subjects. The first one examines the impact of news on euro area sovereign bond yield spreads. Interesting implications emerge from this paper namely for the asset pricing and risk management. The empirical analysis produces a number of novel results that support the evidence that news is an important driver for sovereign yield spreads. Authors specifically find that more news regarding the country-specific crisis raises the yield spreads. Moreover, they find that higher news in one selected country implies an increase in the yield spreads of other countries.

The second paper selected explains the lack of general consensus in previous studies on the direction of information flow between stocks and derivatives markets. The authors find that while deciding where to place their trade, informed traders are attracted by higher liquidity and less transactions costs in spot market, and leverage effect offered by options market. They conclude that the direction of information flow between the stock and option markets depends on informed traders' confidence in anticipation based on the quality of the private information and informed traders psychologies and abilities.

The third paper tries to extend empirically the literature disciplining effect of inflation targeting (IT) monetary policy on fiscal policy. The contribution of the paper is to evaluate the effect of the IT's adoption by emerging markets on their budgetary discipline in terms of primary budget deficit performance. An empirical analysis shows that on average IT adoption has had a significant effect in reducing the primary deficit in emerging countries that have adopted this monetary policy framework.

The fourth paper develops a new measure of systematic risk for investor's in adverse disasters to cover themselves against large losses. Indeed, the frequent application of the average-downside risk CAPM provides spurious measures particularly during crises. To overcome this problem, this paper proposes, using the EVT, an extension of the

Kaplanski (2004b)'s CAPM average-CVaR based both on the downside risk and the impact of rare events on the stock return distribution.

The fifth paper applies the multi-index model to explore the sensitivity of the stock return of European automotive companies to some macroeconomic variables. The author finds that the S&P 350 positively affects stock returns, supporting the single index model. Furthermore, Exchange Rate, exports, and Platinum positively affect stock return, while Aluminium and Unemployment rate negatively affect stock return. The results suggest that a multi-index model using selected macroeconomics variables provides additional power in explaining the variability of the European stock returns in the Automobile industry over a single index model using the market index alone.

The sixth paper attempts to examine the relationship between the post privatisation ownership structure, performance and value creation within French companies as well through their disciplinary role as their cognitive one. Thus, the relationship between residual government ownership and performance is found convex, after privatisation. Such result implies that the control of the State confers benefits in the privatised companies. Managerial ownership is however negatively related to firm performance. The authors assume that such structure of ownership is associated to an entrenchment effect rather than an incentive one after privatisation.

It is a pleasure for me to gratefully acknowledge the assistance of all authors of selected papers and the referees for the hard work. Special thanks are due to Professor Bruno Sergio Sergi, Editor-in-Chief, for his help, efforts and for making possible this Special Issue.

Finally, we hope that the high quality of the papers will encourage future research and will help readers in understanding some new opportunities on empirical finance area.