



**Illinois Wesleyan University**  
**Digital Commons @ IWU**

---

John Wesley Powell Student Research  
Conference

2011, 22nd Annual JWP Conference

---

Apr 9th, 10:00 AM - 11:00 AM

## **New Evidence on the Wealth Transfer During the Argentine Crisis**

James Lam

*Illinois Wesleyan University*

Elisabeta Pana, Faculty Advisor

*Illinois Wesleyan University*

Follow this and additional works at: <https://digitalcommons.iwu.edu/jwprc>



Part of the [Business Commons](#)

---

Lam, James and Pana, Faculty Advisor, Elisabeta, "New Evidence on the Wealth Transfer During the Argentine Crisis" (2011). *John Wesley Powell Student Research Conference*. 2. <https://digitalcommons.iwu.edu/jwprc/2011/oralpres3/2>

This Event is protected by copyright and/or related rights. It has been brought to you by Digital Commons @ IWU with permission from the rights-holder(s). You are free to use this material in any way that is permitted by the copyright and related rights legislation that applies to your use. For other uses you need to obtain permission from the rights-holder(s) directly, unless additional rights are indicated by a Creative Commons license in the record and/ or on the work itself. This material has been accepted for inclusion by faculty at Illinois Wesleyan University. For more information, please contact [digitalcommons@iwu.edu](mailto:digitalcommons@iwu.edu).

©Copyright is owned by the author of this document.

Oral Presentation O3.3

## **NEW EVIDENCE ON THE WEALTH TRANSFER DURING THE ARGENTINE CRISIS**

James Lam and Elisabeta Pana\*

Business Administration Department, Illinois Wesleyan University

In this study, we investigate the wealth preservation hypothesis during the Argentine crisis and revisit the theory of wealth transfer from Argentina to the United States. We show that the boom experienced by the Argentine stock market is explained by both the wealth preservation through top non-ADR stocks and by the wealth transfer through ADR stocks. Argentine investors without access to trading abroad preserved wealth by converting their bank deposits into the most liquid ADR and non-ADR stocks. An investment in a portfolio of less liquid ADRs resulted in a wealth loss, unless used as a vehicle to transfer funds abroad.