COLLABORATIVE RESEARCH CENTER 649
"Economic Risk"

NEWSLETTER

No. 2

04. February 2008

Humboldt-Universität zu Berlin
Collaborative Research Center 649
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CURRENT EVENTS

More information can be found here:
http://sfb649.wiwi.hu-berlin.de/fedc/events_en.php

07.-10. February 2008 **Haindorf Seminar 2008**
Location: Hejnice, Czech Republic
Information at:
http://lehre.wiwi.hu-berlin.de/Professuren/quantitativ/statistik/research/veranstaltungen/Hejnice2008neu

15. February 2008 **KMU-Infokompetenz**
Location: Humboldt-Universität, Institut für Bibliotheks- und Informationswissenschaft, Dorotheenstr. 26, 10117 Berlin, Raum 118
Information at:
http://www.ib.hu-berlin.de/infokomp/ankuendigung_praesenzlehrgang.html

29. February 2008 **KMU-Infokompetenz**
Location: Humboldt-Universität, Institut für Bibliotheks- und Informationswissenschaft, Dorotheenstr. 26, 10117 Berlin, Raum 118
Information at:
http://www.ib.hu-berlin.de/infokomp/ankuendigung_praesenzlehrgang.html

REGULAR RESEARCH SEMINARS

An overview is available at:
http://sfb649.wiwi.hu-berlin.de/fedc/seminars.jsp

QUANTITATIVE FINANCE SEMINAR

Location: Spandauer Str. 1, Room 203
Time: every Monday, 2 p.m.

04. February 2008 **Christian Hipp**
(Universität Karlsruhe)
"Abhängigkeitskonzepte und Phasentyp-Verteilungen"

SCHUMPETER SEMINAR

Location: Spandauer Str. 1, Room 21A
Time: every Tuesday, 4 p.m.

12. February 2008 **Thomas Gehrig**
(Universität Freiburg)
"Decentralized Screening: Coordination Failure, Multiple Equilibria Cycles"

REVIEW ABOUT CRC EVENTS

04.-06. January 2008 Student Workshop "Econ Boot Camp"

The first CRC 649 economic workshop for high school students had its very successful premiere in January. The Econ Boot Camp was attended by 20 students coming from all over Germany. During the three days in Berlin, the students gained insights in modern applied economic research using the databases and statistical software packages of the CRC. Within teams of 2-5 persons, the participants dealt with a particular topic. The list of topics was kept wide, ranging from the sources of inflation to issues in development economics.

Participants of the Econ Boot Camp and Prof. Härdle

Beyond the scientific part of the workshop the students were offered an exciting program. Jan Eder, Managing Director of the IHK Berlin, welcomed the students for an informal discussion at the office of the IHK Berlin, where he talked about the economic situation in Berlin and its development in recent years. The workshop ended with the presentation of the results gained during the workshop by the teams. Each presentation was judged by a jury composed of alumni of

the Faculty of Economics and Business Administration. The jury assigned the first price to Tatjana Huber, Vyacheslav Polonski and Rick Sendelbeck for their presentation on the determinants of education.
The next Econ Boot Camp is planned for January 2009.

24.-25. January 2008 Distinguished Lecture Series 2008

On the occasion of the 6th Distinguished Lecture Series from 24. to 25. January Nicole el Karoui from the Ecole Polytechnique in Paris spoke about "The optimal stopping problem revisited", probably the oldest optimisation problem in stochastic processes. In the rooms of the Deutsche Bank at Unter den Linden she discussed topics such as Levy processes, Reflected Backward Stochastic Differential Equations, Stochastic versions of variational inequalities and Portfolio optimisation problems with floor constraints.


Prof. Nicole el Karoui

30. January 2008 Jour fixe

On 30. January the CRC 649 members met for the first Jour fixe in 2008.
In the beginning Prof. Härdle informed everyone about the upcoming evaluation by the DFG in late summer and additional fixed dates for the year 2008. The FEDC presented information about Bloomberg Data and gave an overview of the CRC's publications.
Prof. J. Rieskamp of the MPI gave a talk with the title: "Contextual Influences on Risk Perception in Investment Decisions" while Prof. A. Werwatz (B3) talked about "The accuracy (risk) of long-term real estate evaluations".
After a short coffee break for interaction among the CRC members, three more talks were waiting. One about "Telling the Truth May Not Pay Off: An Empirical Study of Centralised University Admissions in Germany" was given by Prof. D. Kübler. Dr. V. Krätschmer (A3) asked his audience: "Does state dependency explain the empirical pricing kernel puzzle?" and JP O. Okhrin talked about "Modeling Time – Varying Dependence with Copulae".
Afterwards the project leader meeting took place.


Participants of the Jour fixe


Prof. J. Rieskamp

NEWS OF THE PROJECTS

Wolfgang Härdle (B1) attended the London School of Economics from 18. to 20. January and gave a talk about "Dynamic Semiparametric Factor models".
He attended the Technische Universität Dortmund and gave a talk about "Dynamic Semiparametric Factor Models in Finance, Medicine and Engergy demand".

Wolfgang Härdle (B1), Nikolaus Hautsch (B8), Enzo Giacomini (B1), Uwe Ziegenhagen (B1), Szymon Borak (B1), Alena Mysickova (B1), Brenda Lopez (B1), Julius Mungo (B1), Steffen Dähne (B1), Taleb Ahmad (B1), Rouslan Moro (B1), Roman Timofeev (B1), Barbara Choros (B1) and Yangguoyi Ou (B8) participated in the Distuinged Lecture Series 2008. Prof. Nicole el Karoui (Ecole Polytechnique Paris) spoke about "The optimal stopping problem revisited".

Alena Mysickova (B1) attended the Annual Meeting of the "Research Network for State Pensions" under the auspices of the "Federal State Pension System" from 24. and 25. January in Berlin.

Alexander Schied (B3) participated in the AMS meeting in San Diego and gave a talk about "Optimal portfolio liquidation: market impact models, algorithms, and competition" on 9. January 2008.
He gave a talk "Optimal portfolio liquidation: market impact models and optimal control" in the Oberwolfach workshop on Stochastic Analysis in Finance and Insurance on 27. January 2008.

Peter Imkeller (B6) did research work at the Mittag-Leffler-Institut Stockholm from 1. to 30. November 2007 where he gave a lecture about "Meta-stability in some S(P)DE related to simple climate models".
He gave a talk about "Transitions between meta-stable equilibria in dynamical systems used in climate dynamics" in the Colloquium of the Institute Stochastic of the Johann-Wolfgang-Goethe Universität Frankfurt/Main.

Enzo Giacomini (B7) participated in the 2008 North American Winter Meeting of the Econometric Society in New Orleans from 4. to 6. January 2008. He gave a talkt about "Dynamic Factor Models in Risk Preferences Estimation".

Michael Burda (C7) participated in the annual meeting of the American Economic Association in New Orleans from 4. to 6. January 2008.
He visited Prof. Tito Boeri for a research stay in Amsterdam from 22. to 26. January 2008.

NEWS OF THE FEDC

The Eurex and Implied Volatilities databases have been updated to December 2007. For the Bloomberg access a forum was created where the usage of Bloomberg has to be announced.

GUESTS OF THE CRC 649

You find a summary about all guests under:
http://sfb649.wiwi.hu-berlin.de/fedc/guests.jsp

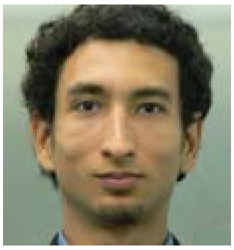
Current Guests of the CRC "Economic Risk":

30.10.2007-
31.03.2008

Fabian Lindner
Freie Universität Berlin
Project: Do Investment Banks Have a Bias in their Forecasting of Emerging Markets' Macroeconomic Variables?
Ziegelstr. 13a, room 607, phone 2093 1455

31.05.2007-
31.12.2008

Eduardo Ortiz Tanchez
University of Oxford
Project: Effekt der Wahl des Basiswertes auf den Preis von Wetterderivaten
Ziegelstr. 13a, room 601, phone 2093-1462

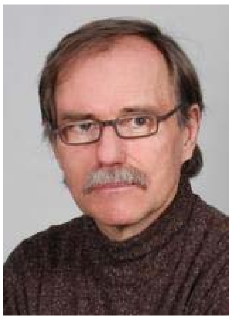


13.12.2007-
31.12.2008

Tobias Berg
TU München
Project: Terminal Value Estimation in Residual Income Models and an Application to the Estimation of the Market Risk Premium
Ziegelstr. 13a, room 607, phone 2093 1455

16.11.2007-
31.12.2008

Jan Philipp Weber
Freie Universität Berlin
Project: Macroeconomic determinants of real estate bubbles
Ziegelstr. 13a, room 601, phone 2093-1462

01.01.2006- 31.12.2008	**Christoph Schneider** Universität Mannheim Project: Corporate Finance / Corporate Governance Phone 0621/181-1949	
15.01.2008- 13.02.2008	**Oliver Brümmer** European Business School Frankfurt Project: Governing family enterprises and implications for performance – a financial perspective Ziegelstr. 13a, room 607, phone 2093 1455	
01.02.2008- 30.04.2008	**Anders Rugh Swensen** University of Oslo Project: Multivariate non-starting models Ziegelstr. 13a, room 607, phone 2093 1455	
11.02.2008- 15.02.2008	**Markus, Lutz** Universität Leipzig Project: Applicability of the Mean-Variance Framework Ziegelstr. 13a, room 607, phone 2093 1455	
31.01.2008- 10.02.2008	**Huang, Li-Shan** University of Rochester Project: Analysis of deviance for semiparametric generalized linear models Ziegelstr. 13a, room 601, phone 2093 1462	

NEW DISCUSSION PAPER

You find all discussion paper under:
http://sfb649.wiwi.hu-berlin.de/fedc/discussionPapers_en.php

2008-001	**Yuri Golubev, Wolfgang Härdle, Roman Timofeev** "Testing Monotonicity of Pricing Kernels"
2008-002	**Pavel Cizek, Wolfgang Härdle, Vladimir Spokoiny** "Adaptive pointwise estimation in time-inhomogeneous time-series models"
2008-003	**Junni L. Zhang, Wolfgang Härdle** "The Bayesian Additive Classification Tree Applied to Credit Risk Modelling"
2008-004	**Ray-Bing Chen, Meihui Guo, Wolfgang Härdle, Shih-Feng Huang** "Independent Component Analysis Via Copula Techniques"
2008-005	**Wolfgang Härdle, Yuh-Jye Lee, Dorothea Schäfer, Yi-Ren Yeh** "The Default Risk of Firms Examined with Smooth Support Vector Machines"
2008-006	**Wolfgang Härdle, Julius Mungo** "Value-at-Risk and Expected Shortfall when there is long range dependence"
2008-007	**Kiho Jeong, Wolfgang Härdle** "A Consistent Nonparametric Test for Causality in Quantile"
2008-008	**Dirk Engelmann, Dorothea Kübler** "Do Legal Standards Affect Ethical Concerns of Consumers? "
2008-009	**Anton Andriyashin, Wolfgang Härdle, Roman Timofeev** "Recursive Portfolio Selection with Decision Trees"
2008-010	**Astrid Matthey** "Do Public Banks have a Competitive Advantage? "
2008-011	**Astrid Matthey, Nadja Dwenger** "Don't aim too high: the potential costs of high aspirations"
2008-012	**Sigbert Klinke, Cornelia Wagner** Visualizing exploratory factor analysis models"
2008-013	**Rainer Schulz, Axel Werwatz** "House Prices and Replacement Cost: A Micro-Level Analysis"

2008-014 **Shiyi Chen, Kiho Jeong, Wolfgang Härdle**
"Support Vector Regression Based GARCH Model with Application to Forecasting Volatility of Financial Returns"

2008-015 **Enzo Weber**
"Structural Constant Conditional Correction"

2008-016 **Silke Hüttel, Oliver Mußhoff, Martin Odening, Nataliya Zinych**
"Estimating Investment Equations in Imperfect Capital Markets"

2008-017 **Oliver Blaskowitz, Helmut Herwartz**
"Adaptive Forecasting of the EURIBOR Swap Term Structure"

CRC STAFF

At this point the Collaborative Research Center 649 "Economic Risk" wants to present Alena Mysickova, staff member of the project B1 ''Dynamic Semi-parametric Modeling'' of Prof. Dr. Wolfgang Härdle.

Alena Mysickova
(project B1)

Alena Mysickova grew up in the Czech Republic where she studied mathematics at the Charles University of Prague. Since 2002 she has been living and studying in Berlin. After achieving a bachelor's degree in statistics, in December 2007 she graduated with a master's degree in statistics with the thesis: „Stochastic Population Forecast for Germany and its Consequence for a Future Pension Model".
Since 2005 Alena Mysickova is employed at the "nestor-Institute for Scientific Research in Pension and Retirement System Development and Biometrics" of the Humboldt Universität zu Berlin under the supervision of Prof. Dr. H.-P. Schwintowski.
Her research activities focus on demography, actuarial mathematics and biometrics.
Her main hobby is playing basketball – from the season 2006/07 she has played in the second German regional league for the club ASV Berlin.
Since January 2008 Alena Mysickova is employed as a research and teaching assistant by Prof. Dr. Wolfgang Härdle.

QUOTE OF THE MONTH

"Daring ideas are like chessmen moved forward.
They may be beaten, but they may start a winning game."

Johann Wolfgang von Goethe
(1749-1832)

We want to point out that the newsletter is published on the homepage of the CRC 649.

The CRC 649 – Newsletter is published at the beginning of each month.
Editorial deadline for the third Newsletter 2008 is 29.02.2008.