COLLABORATIVE RESEARCH CENTER 649
"Economic Risk"

NEWSLETTER

No. 6

02. June 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

13 June 2008	**Seminar Empirical Research in Accounting and Finance** Location: Spandauer Str. 1 Information at: Seminar outline
14 June 2008	**8. Lange Nacht der Wissenschaften** Location: Humboldt-Universität zu Berlin Information at: www.langenachtderwissenschaften.de SFB and WWG present Robokeeper
24-25 June 2008	**Humboldt-Forum Wirtschaft** *Symposium 2008: China und der Westen* Location: Spandauer Str. 1 Information at: www.hufw.de
27 June 2008	**Seminar Empirical Research in Accounting and Finance** Location: Spandauer Str. 1 Information at: Seminar outline

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 21B
Time: every Monday, 2 p.m.

9 June 2008	**Mei Wang** (Institute of Swiss Banking) "International study on risk attitudes--first results"
16 June 2008	**Roel Oomen** (Deutsche Bank London) "Realised Quantile-Based Estimation of the Integrated Variance"
23 June 2008	**David Schmeidler** (Raymond and Beverly Sackler Faculty of Exact Sciences) "Purely Subjective Maxmin Expected Utility"

30 June 2008 **David Veredas**
(Université Libre de Bruxelles)
"Measuring quote quality in an order driven market: How much is information and how much is noise?"

SCHUMPETER SEMINAR

Location: Spandauer Str. 1, Room 203
Time: every Tuesday, 4 p.m.

3 June 2008 **Hans Gersbach**
(ETH Zurich)
"Vote Share Contracts, Constraining Government Debt and Democracy"

17 June 2008 **Sandra E. Black**
(UCLA)
"Too Young to Leave the Nest? The Effects of School Starting Age"

WIAS RESEARCH SEMINAR MATHEMATICAL STATISTICS

Location: Weierstrass Institute for Applied Analysis and Stochastics, Mohrenstraße 39, 10117 Berlin
Erhard-Schmidt-Hörsaal
Time: every Wednesday, 10 a.m.

18 June 2008 **Nicolas Vayatis**
(Cachan)
tba

25 June 2008 **Angelika Rohde**
(WIAS)
tba

REVIEW ABOUT CRC EVENTS

08 - 10 May 2008 **4th CRC 649 Convention**

The 4th Convention of the CRC 649 took place from 8 to 10 May 2008 in Motzen. Academic staff of HU, TU and WIAS and administrative personnel participated in the event. All project leaders- current and future- outlined the proposals for their future research. In the end 8 projects were agreed on to be presented during the evaluation in September 2008.
The program included workshop sessions, poster viewing and informational reports as well. In addition, participants also discussed the role the CRC 649 can assume for the promotion of women and young researchers in Science. The leisure activities included sports events, boat trips and discussions in a collegial atmosphere.

NEWS OF THE PROJECTS

Dorothea Kübler (A6) gave a talk with the title "Why votes have a value" at the meeting of the "Sozialwissenschaftlicher Ausschuß des Vereins für Socialpolitik" in Frankfurt/Main from 24-26 April.

Dietmar Fehr (A6) was on a research stay in Cairo from 19 March to 19 April and 13 May to 2 June. He conducted a field experiment and a survey study in Manshiet Nassser, one of Cairo's informal housing areas.

The paper of **Wolfgang Härdle (B1)**, Yuh-Jye Lee, Dorothea Schäfer and Yi-Ren Yeh "The Default Risk of Firms Examined with Smooth Support Vector Machines" is chosen to be presented at the "Jahrestagung des Vereins für Socialpolitik" from 23 to 26 September 2008 in Graz and at the "ESEM/EEA Annual Meeting" from 27 August to 1 September 2008 in Milan.

Wolfgang Härdle (B1) gave a talk about "Dynamic Semiparametric Factor Models with Applications in Finance, Energy and Medicine" at the Università Degli Studi di Salerno on 21 May.
Wolfgang Härdle (B1) and **Vladimir Spokoiny (B5)** gave a talk about "Modern Nonparametric statistics" at the Fraunhofer-ITWM in Kaiserslautern on 14 May.
Prof. Härdle participated in the CRELE-CASE-Workshop in Bozen on 26 May 2008.

Alena Mysickova (B1) gave a talk about "Stochastic Population Forecast for Germany" at the Pfingsttagung of the Deutsche Statistische Gesellschaft in Berlin from 14 to 16 May.

Nicole Wiebach (B2) participated at the 21st EMAC Doctoral Colloquium in Brighton/UK (May 25-27) and gave a speech on "Product elimination and customer transfer".
Lutz Hildebrandt, Nadja Silberhorn and Dirk Temme (B2) gave a speech at the 37th EMAC Conference in Brighton/UK on "The influence of the individual health goal on FMCG category choice".
Yasemin Boztug, Lutz Hildebrandt and Nadja Silberhorn (B2) gave a speech at the 37th EMAC Conference in Brighton/UK on "Investigating cross-category brand loyalty behavior in FMCG".

Ralf Brüggemann (C2) participated in the "Pfingstagung der Deutschen Statistischen Gesellschaft" at TU Berlin from 15 to 16 May and gave a talk about "Forecasting Euro-Area Variables with German Pre-EMU Data".

Andreas Thams (C6) gave a talk about "Inflation Transmission in the EMU: A Markov-Switching VECM Analysis" at the Universität Mannheim on 14 May.

Invited by the "Arbeitgeberverband Remscheid und Umgebung e.V." **Michael Burda (C7)** gave a speech at the Meeting of Members in Remscheid on 9 May.
He was invited to participate as a discussant at the 10th Bundesbank Spring Conference "Central Banks and Globalisation" in Frankfurt/Main on 22-23 May.
Michael Burda gave a talk about "Total Work, Gender and Social Norms" in the Plenary Session at the CESifo Area Conference on "Employment and Social Protection" in Munich on 24 May.

NEWS OF THE FEDC

The following databases are updated and are available now: Eurex - Deutsche Börse, Implied Volatilities, Compustat and ExecuComp.

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":

20.05.2008-
30.09.2008

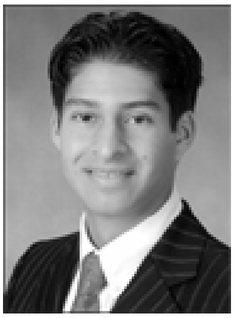
Katharina Jenderny
Freie Universität Berlin
Project: Kapitaleinkommen deutscher Haushalte
Ziegelstr. 13a, room 601, phone 2093 1462

01.05.2008-
31.07.2008

Julian Dragendorf
Freie Universität Berlin
Project: Can Outsiders Gain Abnormal Profits by Mimicking Corporate Insider Trades? – Evidence from the German Stock Market
Ziegelstr. 13a, room 607, phone 2093 1455

01.05.2008-
31.07.2008

Alexander Joel Carbonell
European Business School (EBS)
Project: Public Real Estate Investment Trusts (REIT): IPO Underpricing & its consequences for the G-REIT
Ziegelstr. 13a, room 601, phone 2093 1462



28.04.2008-
28.07.2008

Kai Schultheis
WHU Vallendar
Project: Increased stock market volatility - a contradiction to the neoclassical model? An international comparison
Ziegelstr. 13a, room 607, phone 2093 1455

15.04.2008-
31.10.2008

Wolodimir Perederij
Europa-Universität Viadrina Frankfurt (Oder)
Project: quantitative Bilanzanalyse, insb. im Rahmen der Insolvenzprognose, insb. mittels multivariater Modelle
Ziegelstr. 13a, room 601, phone 2093 1462

25.03.2008-
30.09.2008

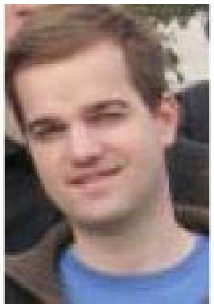
Margarita Kalamova
Freie Universität Berlin
Project: Sovereign risk and fiscal federalism

15.03.2008-
15.07.2008

Stefano Cascino
University of Naples Frederico II
Project: Accounting Harmonization pre and post IFRS; Impact of Conservatism on Debt Markets
Spandauer Str. 1, room 113

13.12.2007-
31.12.2008

Tobias Berg
Technische Universität 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

31.05.2007 -
31.12.2008

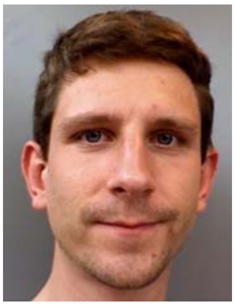
Eduardo Ortiz Tanchez
University of Oxford
Project: Effekt der Wahl des Basiswertes auf den Preis von Wetterderivaten
Ziegelstr. 13a, room 601, phone 2093 1462

01.01.2006 - 31.12.2008

Christoph Schneider
Universität Mannheim
Project: Corporate Finance / Corporate Governance
Phone 0621/181-1949

02.06.2008- 01.09.2008

Felix Barth
Freie Universität Berlin
Project: Entwicklung von Nachhaltigen Unternehmen auf dem Kapitalmarkt
Ziegelstr. 13a, room 601, phone 2093 1462



NEW DISCUSSION PAPERS

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

2008-035 **Anton Andriyashin**
"Stock Picking via Nonsymmetrically Pruned Binary Decision Trees"

2008-036 **Maik Schmeling, Andreas Schrimpf**
"Expected Inflation, Expected Stock Returns, and Money Illusion: What can we learn from Survey Expectations?"

2008-037 **Thomas Post, Helmut Gründl, Joan T. Schmit, Anja Zimmer**
"The Impact of Individual Investment Behavior for Retirement Welfare: Evidence from the United States and Germany"

2008-038 **Enzo Giacomini, Wolfgang Härdle, Volker Krätschmer**
"Dynamic Semiparametric Factor Models in Risk Neutral Density Estimation"

PUBLICATIONS

Frank Heinemann, Rosemarie Nagel, Peter Ockenfels (2008)
Measuring Strategic Uncertainty in Coordination Games
forthcoming in: *Review of Economic Studies*.

Alena Mysickova, Anna Gansel (2007)
Die pauschaldotierte Unterstützungskasse - Pro und Contra,
Betriebliche Altersversorgung 3/2007: 229-230.

CRC STAFF

At this point the Collaborative Research Center 649 "Economic Risk" wants to present Claudia Strauch, staff member of the project B7 ''Kalibrierungs- und Bewertungsfehler im Risikomanagement'' of Dr. Denis Belomestny and Maria Grith, staff member of the project B1 ''Dynamic Semi-parametric Modeling'' of Prof. Dr. Wolfgang Härdle.

From October 2001 to June 2007, Claudia Strauch was a student of mathematics and economics at the University of Ulm. Her major fields of study were financial mathematics and actuarial science. During an internship at Deutsche Bundesbank she was confronted with the task of implementing a variance reduction scheme which accelerates the Monte Carlo based estimation of portfolio credit risk. The problem turned out to be that interesting that she wrote her diploma thesis on the topic "Importance Sampling for Credit Risk Measurement". Since September 2007, she is a staff member of the project B7 at the Weierstrass Institute for Applied Analysis and Stochastics. Her current research focuses on the application of Monte Carlo methods in risk management and the pricing of high dimensional Bermudan options.

Claudia Strauch (B7)

Maria Grith (B1)

Maria Grith pursued a Bachelor in International Economic Relations at the Western University Timisoara, Faculty of Economics. Between 2005 and 2008 she attended the Master’s Program in Economics and Management Science (M.Sc.) at Humboldt-Universität zu Berlin with majors in Economics and Statistics. From 2006 she worked as student assistant in the Institute of Economic Policy II by Prof. Bartosz Mackowiak. Her Master Thesis “Monetary and Fiscal Policy in a Two Country Model with Sticky Prices” relates to a two-country DSGE model and attempts to estimate its parameters with additional fiscal shocks.
In April 2008 she started her Ph.D. at the Institute of Statistics, HU, by Prof. Wolfgang Härdle. The topic “Dynamics of Risk Attitudes” lies at the boundary between modern nonparametric statistics, financial mathematics and economics.
Her hobbies are Arts, Sports and Politics.

QUOTE OF THE MONTH

"The Chinese use two brush strokes to write the word 'crisis'. One brush stroke stands for danger; the other for opportunity. In a crisis, be aware of the danger - but recognize the opportunity."

John F. Kennedy
(1917-1963)

Please also note 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 seventh Newsletter 2008 is 30.06.2008.