



NEWSLETTER

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Humboldt-Universität zu Berlin
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CURRENT EVENTS

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

12 November 2008 **Jour Fixe Autumn 2008**
Location: Spandauer Str.1, room 125
Time: 2 p.m.
Information at: [Seminar outline](#)

REGULAR RESEARCH SEMINARS

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

ECONOMIC RISK SEMINAR

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

03 November 2008 **Olivier Scaillet**
(Universite de Geneve)
"Nonparametric Instrumental Variable Estimation of
Quantile Structural Effects"

10 November 2008 **Bernardo Guimaraes**
(London School of Economics)
"Sales and Monetary Policy"

17 November 2008 **George Skiadopoulos**
(University of Piräus)
"Asset Allocation with Option-Implied Distributions: A
Forward-Looking Approach"

24 November 2008 **Stanislav Anatolyev**
(New Economic School, Moscow)
"Sequential testing with uniformly distributed size"

SCHUMPETER SEMINAR

Location: Spandauer Str. 1, Room 125
Time: every Tuesday, 4 p.m.

04 November 2008 **Rudolf Winter-Ebmer**
(University of Linz)
"Clash of Career and Family: Fertility Decisions after Job
Displacement"

11 November 2008 **Lutz Weinke**
(Duke University)
"Lumpy Investment and State-Dependent Pricing in
General Equilibrium"

18 November 2008 **Alice Schoonbroodt**
(University of Southampton)
TBA

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.

05 November 2008 **Steffen Gröneberg**
(Norwegian Computer Center, Oslo)
"Copula Information Criterion"

12 November 2008 **Jour Fixe!**

19 November 2008 **Manuel Cabral Morais**
(Instituto Superior Técnico, Lisbon)
"On the limiting behaviour of EWMA charts with exact
control limits"

26 November 2008 **Arnak Dalalyan**
(Paris)
TBA

Ringvorlesung WS 08/09 Strategien der Sicherung – Kulturen des Risikos

Location: Hauptgebäude UL 6, Hörsaal 2097
Time: every Monday, 6 p.m.

10 November 2008 **Wolfgang Härdle**
"Pensions, Lotteries, Financial Markets: Measuring
Statistical Risk"

NEWS OF THE CRC 649

CRC 649 Junior Workshop on „Measurement in Marketing“, 7-8 October 2008

Hypothetical constructs are the fundamental building blocks of marketing theories. Therefore, sound empirical measurement of these constructs in terms of reliability, validity, and generalizability is of great relevance for testing and advancing marketing theory. The CRC 649 Junior Workshop on “Measurement in Marketing” organized by the CRC 649 aimed to foster leading edge research on measurement issues like formative measurement models, response bias, and measurement equivalence. About 20 academics from various universities and research institutions followed the program committees’ invitation to participate in the workshop and roughly half of them presented their research projects. In the opening lecture Lutz Hildebrandt compared and evaluated some of the approaches proposed to develop measurement models.



Adamantios Diamantopoulos

In his keynote talk “Testing Theory with Formative Measures: A Cautionary Tale” Adamantios Diamantopoulos (University of Vienna) emphasized that changing the measurement model from reflective to formative often also has far-reaching implications for the specification of the structural model. The estimation of structural models including formative measurement models was discussed from the perspective of both covariance-based analysis (Dirk Temme) and partial least-squares analysis (Jörg Betzin, DZA Berlin). Partial least-squares analysis (PLS) was further covered in a presentation by Jens Sievert (eye square, Berlin) on the results of a Monte Carlo study on estimating mediation effects in PLS. Henning Kreis (FU Berlin) reported on his research into the dimensions of the Fortune Reputation Index. In addition, several doctoral students presented a broad range of empirical research with a strong focus on measurement issues.

“Hermann-Otto Hirschfeld Lecture” 16 to 17 October

The 6th edition of the “Hermann-Otto Hirschfeld Lecture” took place between 16-17 October in the Holy Ghost Chapel of The School of Business and Economics at Humboldt-University Berlin. This year’s lecturer was Prof. Dr. Yasmine Ait-Sahalia - Otto A. Hack 1903 Professor of Finance and Economics and director of Bendheim Center for Finance at Princeton University.



Peter Bank, Yasmine Ait-Sahalia, Wolfgang Härdle (with WiWi gown), Annette Vogt

The Hermann Otto Hirschfeld Lectures at the Humboldt University in Berlin were established in 2003 in memory of Berlin-born statistician Hermann Otto Hirschfeld-Hartley. This year’s opening included a presentation about his life and career by Dr. Annette B. Vogt from the Max Planck Institute for the History of Science.

The lecture was hosted jointly by CRC 649, CASE - Centre for Applied Statistics and Econometrics and DB/QPL - Deutsche Bank/ Quantitative Products Laboratories. More than 100 participants coming from 37 different institutions took part in the event. We are positive that the diverse audience and high level of attendance was due both to the actual topics in the econometrics of high frequency data, as well as the prestige and pedagogical merits of our guests.



NEWS OF THE PROJECTS

Julia Schmid (A6) participated in the Workshop on Behavioral Labor Economics at the IZA in Bonn, 16 to 18 October. There she presented her work "Distributing Two Prizes in the All-Pay-Auction".

Wolfgang Härdle (B1) gave a lecture about "Dynamic Semiparametric Factor Models in Weather, Finance and Medicine" at the Johannes-Kepler University in Linz on 23 October.

Roman Timofeev (B1) is leaving the CRC 649 to take up a position at Deutsche Bank in Frankfurt on 1 November. We thank him for his contribution to the CRC and wish him a successful beginning in Frankfurt.

Nikolaus Hautsch (B8) attended the International Conference on Price, Liquidity and Credit Risk, that took place from 2 to 4 October in Konstanz and gave a talk about "Forecasting the Liquidity Supply of a Limit Order Book using Semiparametric Factor Dynamics".

He took part in the "Conference on Liquidity: Concepts and Risks" organized by the Bundesbank and CESifo from 17 to 18 October in Munich as a discussant.

Michael Burda (C7) gave talks about „Solow Residuals without Capital Stocks“ in seminars at the University of Adelaide on 1 October, and at the University of New South Wales in Sydney on 3 October. His research stay at the University of Adelaide, Australia, has finished on 8 October. Prof. Burda participated on the conference „Das große Versprechen von Gerechtigkeit: Verpflichtung und Verführung“ on 28 October in Berlin and gave a talk about „Fact & Figures: Ungleichheit und Gerechtigkeit – Sozialindikatoren im internationalen Vergleich“. The conference was organized by the Institut der deutschen Wirtschaft Köln.

Tijmen Daniels (C10) presented his paper "unique equilibrium in a dynamic model of speculative attacks" at the NAKE (Dutch Network for Economics) conference in Utrecht, Netherlands.

Frank Heinemann (C10) participated at the Bundesbank/CESifo Conference on "Liquidity: Concepts and Risks" in Munich on 17 to 18 October. He discussed a paper "On the Mechanics of endogenous Risk" by Jon Danielsson et al.

NEWS OF THE FEDC

The FEDC has expanded the **capacity of the fileserver Clapton**. Due to this expansion, the total capacity of the homeshares increased up to two terabytes.

The database **SDC Platinum** will only be available until 31 December 2008.

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":

19.08.2008-
19.04.2009

Peter Hensen
 Universität Dortmund
 Project: Long-Term performance of Private
 Equity Buyout companies in Europe/Germany
 Ziegelstr. 13a, room 607, phone 2093 1455



23.06.2008-
31.12.2008

Nataliya Barasinska
 DIW Berlin
 Project: Private Equity, Venture Capital and
 Performance of Firms
 Ziegelstraße 13a



02.06.2008-
31.12.2008

Irina Okhrin
 Europa Universität Viadrina Frankfurt/Oder
 Project: Surveillance of the optimal portfolio
 composition
 Spandauer Str. 1, room 307, phone 2093 5602



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



NEW DISCUSSION PAPERS

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

2008-063

Nikolaus Hautsch, Yangguoyi Ou
"Discrete-Time Stochastic Volatility Models and MCMC-Based
Statistical Inference"

2008-064

Oliver Blaskowitz, Helmut Herwartz
"A note on the model selection risk for ANOVA based adaptive
forecasting of the EURIBOR swap term structure"

2008-065

Helmut Herwartz, Henning Weber

"When, How Fast and by How Much do Trade Costs change in the EURO area"

PUBLICATIONS

Sebastian Braun (2008)

"Economic Integration, Process and Product Innovation, and Relative Skill Demand"

Review of International Economics, **16(5)**, p. 864-873

Ying Chen, Wolfgang Härdle and Seok-Oh Jeong (2008)

"Nonparametric Risk Management with Generalized Hyperbolic Distributions"

Journal of the American Statistical Association, **103**, p. 910-923.

Wolfgang Härdle, Nikolaus Hautsch and Uta Pigorsch (2008)

"Measuring and Modeling Risk Using High-Frequency Data"

"Applied Quantitative Finance", 2nd, W. Härdle, N. Hautsch and L. Overbeck (eds.), Springer.

Nikolaus Hautsch (2008)

"Capturing common components in high-frequency financial time series: A multivariate stochastic multiplicative error model"

Journal of Economic Dynamics & Control, **32**, 2008, p. 3978-4009.

Nikolaus Hautsch and Yangguoyi Ou (2008)

"Stochastic Volatility Estimation Using Markov Chain Simulation"

"Applied Quantitative Finance", 2nd, W. Härdle, N. Hautsch and L. Overbeck (eds.), Springer, Berlin.

Nikolaus Hautsch and Vahidin Jeleskovic (2008)

"High-Frequency Volatility and Liquidity"

"Applied Quantitative Finance", 2nd, W. Härdle, N. Hautsch and L. Overbeck (eds.), Springer, Berlin.

CRC STAFF

At this point the Collaborative Research Center 649 "Economic Risk" wants to present Fuyu Yang and Julia Schaumburg, staff members of the project B8 "Econometric Modeling of Liquidity Risks, Trade Risks, and Transaction Costs on Financial Markets" of Prof. Nikolaus Hautsch.

Fuyu Yang is expected to work in the Marie Curie Research and Training Network "Computational Methods in Statistics, Econometrics and Finance" (COMISEF). Her mentor is Prof. Nikolaus Hautsch.

Fuyu Yang was born in Jilin, P.R.China. She obtained her degrees in Economics, University of Leicester, England. Her major interests are in the field of making Bayesian inference of time series models, and evaluating the forecasting capacities of statistical models using macro data.

Currently she is working with interest rates modelling. In particular, she is investigating an extended Nielson-Siegel (ENS) model with latent variables. Out-of-sample forecasts using the proposed ENS model will be evaluated.



Fuyu Yang (B8)

Julia Schaumburg studied economics at Mannheim University from 2003 to 2008. Her diploma thesis dealt with "Nonparametric Quantile Regression in Time Series". During her studies she worked, among others, as a student assistant at the Centre for European Economic Research (ZEW) and as an intern for Deutsche Börse AG. In fall semester 2007, she studied economics and some mathematics at National University of Singapore.

Since October 2008, Julia Schaumburg has been working as a teaching and research assistant to Prof. Dr. Nikolaus Hautsch at the Chair of Econometrics. She continues researching on quantile models for time series, and is besides interested in literature, skiing, swimming, yoga and South East Asia.



Julia Schaumburg (B8)

QUOTE OF THE MONTH

“There are risks and costs to a program of action. But they are far less than the long-range risks and costs of comfortable inaction.”

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 twelfth Newsletter 2008 is 30.11.2008.**