



NEWSLETTER

No. 5
05 May 2009

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

- 07-08 May 2009 **CRC 649 Workshop on Marketing Metrics, Risk and Performance Modeling**
Location: HU Berlin
Information at: [Workshop outline](#)
- 04-06 June 2009 **CRC 649 Convention**
Location: Motzen

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.

- 04 May 2009 **Christian Thomann**
(Leibniz Universität Hannover)
"Wealth, Public Self-Protection and the Economics of SEC-Regulation"
- 11 May 2009 **Matthias Fengler**
(Sal. Oppenheim)
"Explaining the index skew by means of stochastic correlation models"
- 18 May 2009 **Andrew Patton**
(University of Oxford)
"Does Beta move with News? Systematic Risk and Firm-Specific Information Flows"
- 25 May 2009 **Winfried Pohlmeier**
(Universität Konstanz)
"How risky is the VaR?"

SCHUMPETER SEMINAR

Location: Spandauer Str. 1, Room 125

Time: every Tuesday, 4 p.m.

- 05 May 2009 **Mark Weder**
(University of Adelaide)
"Technological Change and the Roaring Twenties: A Neoclassical Perspective"

12 May 2009

Davide Cantoni

(Harvard University)

"Clueless? The Impact of Television on Consumption Behavior"

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.

13 May 2009

Mikhail Malioutov

(Northeastern University Boston)

"On the capacity of sparse identification under linear programming analysis"

27 May 2009

Richard Nickl

(Cambridge University)

"Confidence Bands in Density Estimation"

NEWS OF THE CRC

The new project C14 "Expectations management of central banks" was approved by the DFG. Head of this project is Prof. Dr. **Dieter Nautz** from the Freie Universität Berlin. Welcome and congratulations!

At a meeting on 20 April 2009 the Faculty Board unanimously agreed on secondary membership for Prof. Dr. **Vladimir Spokoiny**, principle investigator of the project B5 "Structure adaptive data analysis", in the School of Business and Economics. Congratulations!

NEWS OF THE PROJECTS

Axel Werwatz (B3) presented the paper "The impact of introducing new products on firm productivity" during the 2009 Annual Conference of the Royal Economic Society, held at the University of Surrey from 20 to 22 April, 2009.

On 27 April he presented the paper "Renting versus Owning and the Role of Income Risk" at the Leibniz Universität Hannover.

Dorothea Kübler (A6) presented the paper "Why Votes Have a Value" at the Inaugural Workshop of the BAER lab at the University of Paderborn from 23 to 24 April 2009.

Dietmar Fehr (A6) is a visiting scholar at the University of Pittsburgh (Department of Economics) from March through June 2009.

Joachim Gassen (A7) gave a keynote speech "Governance by disclosure: The rotten egg statute revisited" at the AIDEA Youth Conference "Corporate Governance, Information and Control in an Evolutionary Context" in Naples, Italy on 3 April 2009.

Prof. Gassen gave a lecture on "Der deutsche Aktionär - das unbekannte Wesen" (The German stockholder – an unknown creature) at the AutoUni in Wolfsburg on 16 April 2009.

Tolga Davarcioglu (A7) participated at the AIDEA Youth Conference "Corporate Governance, Information and Control in an Evolutionary Context" in Naples, Italy from 3 to 4 April 2009 and presented his paper "Does public exposure and peer pressure influence voluntary compliance? Evidence from compliance with German Accounting Standards".

Roland Strausz (A8) gave a talk about "Regulatory Risk under incentive regulation" at the Research Seminar Cergy, Paris on 30 April 2009.

Ulrich Horst (A11) participated in the "MITACS Economic Summit on Systemic Risk" in Toronto from 27 to 29 April. This summit, organized in collaboration with the Bank of Canada, brings together approximately 50 participants from mathematics faculties, as well as representatives from Bank of Canada, OSFI and leading financial and insurance institutions to address the issues of systemic risk within the financial sector.

He was Visiting Professor at the Center for Mathematical Modeling, Universidad de Chile from 16 March to 3 April 2009.

Wolfgang Härdle (B1) gave a talk about "A Joint Analysis of the KOSPI 200 Option and ODAX Option Markets Dynamics" (joint work with Julius Mungo and Jo Cao) at the European University Institute in Florence on 24 April 2009.

Prof Härdle is at the Free University of Bozen, Italy as a visiting researcher from 1 April to the end of May 2009.

The Louisiana State University of Shreveport/USA invited **Michael Burda (C7)** to a visit from 14 to 16 April 2009. Prof. Burda gave a macroeconomic assessment on the topic of "The Globalized Economic Crisis" at the College of Business Administration.

On 17 April 2009 Prof. Burda held a lecture on "The Globalized Economic Crisis" at the School of Business and Economics at the Humboldt-Universität zu Berlin.

Prof. Burda participated at the 12th economic symposium "Regulatory measures in the crisis" of the Herbert Giersch Stiftung and the Institute of Economics Köln. Prof. Burda was the chairman of panel II: The largest reflationary programmes of all times.

Frank Heinemann (C 10) participated in the Asian-Pacific Meeting of the Economic Science Association in Haifa from 26 to 29 March, and in the annual meeting of the Sozialwissenschaftlicher Ausschuss des Vereins für Socialpolitik in Koblenz from 23 to 25 April. At both occasions he presented his paper on "Measuring agents' reaction to public and private information in beauty contest games".

Tijmen Daniëls (C10) presented his paper "defending against speculative attacks" in the workshop series of the University of Edinburgh (UK) on 20 April 2009.

GUESTS OF THE CRC 649

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

Current Guests of the CRC 649 "Economic Risk":

01.04.2009 -
31.05.2009

Mark Weder
 University of Adelaide
 Project: Labor supply and labor market institutions



20.03.2009 -
30.09.2009

Philipp Matros
 Freie Universität Berlin
 Project: quantitative research about the role of monetary policy in the recent house price boom
 Ziegelstr. 13a, room 607, phone 2093 1455



13.03.2009 -
01.09.2009

Till Strohsal
 Freie Universität Berlin
 Project: Quantitative Research about the expectation hypothesis of the term structure
 Ziegelstr. 13a, room 607, phone 2093 1455



23.02.2009-
30.06.2009

Johann Clausen
 Universität Rostock
 Project: Die Ausfinanzierung von Pensionsrückstellungen
 Ziegelstr. 13a, room 607, phone 2093 1455



01.02.2009 -
30.09.2009

Sergiy Ragulin

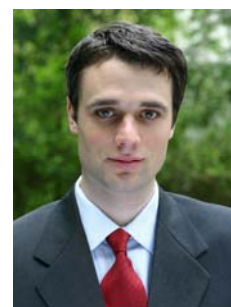
Europa-Universität Viadrina Frankfurt (Oder)
Project: Sequential Control Procedures in
Portfolio Management
Ziegelstr. 13a, room 601, phone 2093 1462



12.01.2009 -
31.12.2009

Maximilian Stadler

Technische Universität Berlin
Project: Shareholder Aktivismus durch Hedge
Fonds
Ziegelstr. 13a, room 601, phone 2093 1462



05.01.2009 -
31.12.2009

Enzo Weber

FU Berlin
Ziegelstr. 13a, room 601, phone 2093 1462
Project: Structural Dynamic Conditional
Correlation



23.06.2008 -
30.06.2009

Nataliya Barasinska

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



16.11.2007 -
31.12.2009

Jan Philipp Weber

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



31.05.2007 -
31.12.2009

Eduardo Ortiz Tanchez

University of Oxford
Project: Effekt der Wahl des Basiswertes auf
den Preis von Wetterderivaten
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

- 2009-020** **Stefan Ried**
 "Putting Up a Good Fight: The Galí-Monacelli Model versus The Six Major Puzzles in International Macroeconomics"
- 2009-021** **Denis Belomestny**
 "Spectral estimation of the fractional order of a Lévy process"
- 2009-022** **Thomas Post**
 "Individual Welfare Gains from Deferred Life-Annuities under Stochastic Lee-Carter Mortality"
- 2009-023** **Denis Belomestny**
 "Pricing Bermudan options using regression: optimal rates of convergence for lower estimates"
- 2009-024** **Gunter Löffler, Alina Maurer**
 "Incorporating the Dynamics of Leverage into Default Prediction"
- 2009-025** **Stefanie Eckel, Gunter Löffler, Alina Maurer, Volker Schmidt**
 "Measuring the effects of geographical distance on stock market correlation"

PUBLICATIONS

Tsay, W. J. and Härdle, W. (2009)

A Generalized ARFIMA Process with Markov-Switching Fractional Differencing Parameter, Journal of Statistical Computation and Simulation, 79:5, 731 – 745

Park, B.U., Mammen, E., Härdle, W. and Borak, S. (2009)

Time Series Modelling With Semiparametric Factor Dynamics, Journal of the American Statistical Association, Vol. 104, No. 485, p. 284 – 298

Giacomini, E., Härdle, W. and Spokoiny, V. (2009)

Inhomogeneous Dependence Modeling with Time-Varying Copulae, Journal of Business and Economic Statistics Apr 2009, Vol. 27, No. 2: 224 – 234

CRC STAFF

At this point the Collaborative Research Center 649 "Economic Risk" wants to present Prof. Dr. Ulrich Horst, principle investigator of the project A11 "Securitization and Equilibrium Risk Transfer" and Dr. Santiago Moreno, staff member of the project A11.



After graduating from Humboldt-Universität zu Berlin in 2000 with a PhD in Mathematics, Ulrich Horst spent several years teaching and carrying out research in Germany and North America. He held visiting positions at the Department of Operations Research and Financial Engineering at Princeton University, the Institute of Mathematical Economics at Bielefeld University and the Center for Mathematical Modeling at the Universidad de Chile and was an Assistant Professor of mathematics at the University of British Columbia Vancouver.

He resumed his work at Humboldt-Universität as Deutsche Bank Professor of Applied Financial Mathematics in the summer of 2007 when he was also appointed Scientific Director of the Deutsche Bank sponsored Quantitative Products Laboratory. Prof. Horst's research covers an array of topics in mathematical economics and applied probability including microstructure models of financial price fluctuations, stochastic games, dynamic equilibrium theory and derivative design in principal agent games. He is the co-head of the MATHEON project E2 "Hedging of External Risk Factors: Weather and Climate". Ulrich Horst is an associate editor of Mathematics and Financial Economics and the organizer of several scientific events. He was the leader of the International Collaborative Research Group "The Economics and Finance of Climate Risk and Natural Resources" sponsored by the Pacific Institute for the Mathematical Sciences and a principal investigator of the TransCoop Cooperation between UBC Vancouver and HU Berlin on Climate Risk, Securitization and the Microstructure of Insurance Markets sponsored by the Alexander v. Humboldt Foundation. In his spare time he enjoys reading a good book and engages in sportive activities such as skiing, tennis and fitness.

Santiago Moreno was born in Bogota, Colombia in 1975, but he grew up in Mexico City. He did his undergraduate schooling from 1994-1997 in the Faculty of Science of the National University of Mexico (UNAM). His thesis was titled "Fatou Coordinates and Hausdorff Dimension: Shishikura's Theorem". For his Master's studies which took place from 2002-2004 at CINVESTAV (Mexico City), he changed topics to Mathematical Finance. His thesis, titled "Discrete Time Options: Barriers and Asymptotic Behavior" was directed by



Dr. Sergei Grudsky and Dr. Isidoro Gitler. He did his PhD at the University of British Columbia in Vancouver, with a grant from the Mexican government (CONACyT), from 2004-2008. There he worked under the supervision of Dr. Ivar Ekeland and Dr. Ulrich Horst. He defended his dissertation, titled "Optimal Design of Over-the-counter Derivatives in a Principal-Agent Framework: An Existence Result and Numerical Implementations", on 30 July of 2008. His PhD degree was conferred in October 2008. He is currently working on multi-agency-multi-agent games under adverse selection. The aim of this research is to present a model for the trading of products issued by several risk-minimizing firms that face a set of risk-averse agents. His hobbies are cycling, running, hiking and cooking.

QUOTE OF THE MONTH

"Imagination is the beginning of creation. You imagine what you desire, you will what you imagine and at last you create what you will."

George Bernard Shaw
(1856-1950)

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 sixth Newsletter 2009 is 29.05.2009.**