COLLABORATIVE RESEARCH CENTER 649
"Economic Risk"

NEWSLETTER

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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

4-6 June 2009 **CRC 649 Convention**
Location: Motzen
Information: Outline

13 June 2009 **Lange Nacht der Wissenschaften 2009**
Location: HU Berlin
Information: LNdW-Homepage

15 June 2009 **Official Opening Ceremony of CASE**
Location: Spandauer Straße 1, Heilig-Geist-Kapelle
Information: Outline

REGULAR RESEARCH SEMINARS

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

ECONOMIC RISK SEMINAR

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

8 June 2009 **Melanie Schienle**
(Humboldt-Universität zu Berlin)
"Nonparametric Methods for Cointegration Type Models"

Axel Werwatz
(Technische Universität Berlin)
"Using Econometrics for Real Estate Valuation"

SCHUMPETER SEMINAR

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

2 June 2009 **Christian Zimmermann**
(University of Connecticut)
"Unemployment Benefits vs. Unemployment Accounts: A Quantitative Exploration"

16 June 2009 **Monica Singhal**
(Harvard University)
"Informal Taxation"

23 June 2009 **Bernd Lucke**
(Universität Hamburg)
"Letting Different Views about Business Cycles Compete"

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.

10 June 2009 **Harry van Zanten**
(Eindhoven University of Technology)
"Nonparametric Bayesian inference for discretely observed diffusions"

REVIEW ABOUT CRC 649 EVENTS

7 - 8 May 2009 Marketing Metrics, Risk and Performance Modelling

On 7 and 8 May 2009 the CRC and the Institute of Marketing welcomed more than 30 participants to a workshop on "Marketing Metrics, Risk and Performance Modelling". Marketing metrics accounting for the concept of risk are only rarely used in quantitative modelling approaches. Therefore, the major reason for hosting this workshop was to stimulate a discussion about an increasing modelling of risk in the field of marketing.

On the occasion of this event researchers from Europe and the US came together to listen to and discuss eight talks about current findings on different metrics to predict marketing performance. The use of accounting metrics was presented by Joachim Gassen (Humboldt-Universität zu Berlin). The highlight of the workshop was the invited talk by Paul Farris (Darden School of Business, University of Virginia). Other very contributing talks were given by Sönke Albers (Christian-Albrechts-Universität Kiel), Udo Wagner (University of Viena) and Harald Hruschka (Universität Regensburg). Presentations of latest research results by former Humboldt graduates Michaela Draganska (Stanford University), Daniel Klapper (Johann Wolfgang Goethe-Universität Frankfurt), Till Dannewald (Infas TTR) and Henning Kreis (Freie Universität Berlin) completed the scientific part of the workshop. After the talks in the lecture rooms in Spandauer Str. 1 the workshop faded into a celebratory conference dinner at the Rodeo Club.

NEWS OF THE CRC

The Faculty of Business and Economics is due to the new Handelsblatt-Ranking in business studies the best faculty in Berlin and number 16 in Austria, Germany and Switzerland. Thereby Prof. Tim Adam is the best researcher in business studies in the faculty regarding to publications.
The CRC 649 congratulates the TU Dortmund and the CRC 823 "Non-Linear Dynamic Models in Economics and Technology" and its coordinator Prof. Walter Krämer. The German Research Association gave its final OK to the new

collaborative research center on 19 May 2009. The research center focuses on time-dynamic processes in economics and engineering sciences. Statistical models in these fields face complex processes with partially insurmountable dependencies. In the current financial crisis, for example, almost all economic models have failed due to changes in the dependency structure of financial assets.

NEWS OF THE PROJECTS

Julia Schmid (A6) participated in this year's Review of Economic Studies May Meetings in Munich, where selected graduating Ph.D. students from North America presented their work.

Dietmar Fehr (A6) attended the Annual Conference of the Canadian Economic Association in Toronto from 28 to 31 May 2009. He presented his paper "Coordination, Communication and Group Formation" and he also served as a discussant.

Roland Strausz (A8) participated in the "Tagung des Theoretischen Ausschusses", Eltville and gave a talk about "Optimal Search, Learning, and Implementation" of Gershkov and Moldovanu, on 7 May 2009. He gave a talk about "Optimal Procurement Contracts with Pre-Project Planning" at the workshop "Spring Incentives" in Toulouse on 18 May 2009.

Peter Imkeller (A11) gave a talk entitled "Martingale optimality, BSDE and cross hedging of insurance derivatives" (joint work with S. Ankirchner and G. Reis) at the IM PAN workshop "Deterministic and Stochastic Dynamics, Fractals, Turbulence" on 14 May 2009.

Wolfgang Härdle (B1) gave a talk about "qua de causa copulae me placent" (joint work with Ostap Okhrin and Barbara Choroś) at the University of Pisa on 7 May 2009. He gave also a talk about "Implied market price of weather risk" (joint work with Brenda Lopez) at the University of Salerno on 8 May 2009. Prof. Härdle gave a talk about "CDO Pricing with Multifactor and Copulae Models" (joint work with Ostap Okhrin and Barbara Choroś) during the workshop "Exploring research frontiers in contemporary statistics and econometrics" at the Université Catholique de Louvain.
Prof. Härdle and **Brenda Lopez (B1)** gave a talk about "The Price of Weather Risk" at the Free University of Bozen on 26 May 2009. **Barbara Choroś (B1)** gave a talk about "How to tame CDOs" together with Prof. Härdle in the Luncheon Research Seminar at the Free University of Bozen on 26 May 2009.

Nikolaus Hautsch (B8) gave a talk about "Price Adjustment to News with Uncertain Precision" at Tilburg University on 5 May 2009.

Julia Schaumburg (B8) participated in the Spring Meeting of Young Economists that took place in Istanbul from 23 to 25 April and presented her paper "Nonparametric Quantile Regression in Time Series".

Invited by the Münchener Rückversicherungs-Gesellschaft, **Michael Burda (C7)** gave an opening statement on "The globalized financial crisis" on a top-management-seminar to board members in Munich on 7 May 2009.

Prof. Burda participated in a panel discussion "Ways on the crisis: The new financial architecture and the role of Europe" in the European House in Berlin on 19 May 2009.
The German Society for Foreign Policy invited Prof. Burda to participate in a discussion to "The effects of the economic and financial crisis to the member states of the European Union and the Monetary Union" in Berlin on 27 May 2009.
From 29 May to 1 June 2009, Prof. Burda participated in the conference "Festival of Economics" in Trento, Italy. This year's Festival of Economics deals with the extremely topical theme "Identity and the Global Crisis". He took part in the dialogues "Are fiscal stimulus packages effective?" and gave a talk on "What do people do when they are unemployed?" on 31 May 2009.

Alexander Meyer-Gohde (C10) gave an invited presentation of his paper "Linear Rational Expectations Models with Lagged Expectations: A Synthetic Method" for the DFG Project "Sticky Information & Agenda-Setting" at the University of Hamburg on 13 May 2009. He participated and presented his paper "The Natural Rate Hypothesis and Real Determinacy" at the 2009 Midwest Macro Meetings at the University of Indiana in Bloomington from 15 to 17 May.

GUESTS OF THE CRC 649

You find a summary about all guests here:
http://sfb649.wiwi.hu-berlin.de/fedc/guests_en.php

Current Guests of the CRC 649"Economic Risk":

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 Pensionsrück-stellungen
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

2009-026 **Denis Belomestny, Anastasia Kolodko, John Schoenmakers**
"Regression methods for stochastic control problems and their convergence analysis"

2009-027 **Sebastian Braun**
"Unionisation Structures, Productivity, and Firm Performance"

2009-028 **Yingcun Xia, Wolfgang Härdle, Oliver Linton**
"Optimal Smoothing for a Computationally and Statistically Efficient Single Index Estimator"

2009-029 **Ulrike Busch, Dieter Nautz**
"Controllability and Persistence of Money Market Rates along the Yield Curve: Evidence from the Euro Area"

2009-030 **Fang Yao**
"Non-constant Hazard Function and Inflation Dynamics"

2009-031 **Wolfgang Härdle, Ostap Okhrin**
"De copulis non est disputandum - Copulae: An Overview"

PUBLICATIONS

Zimmer, A., Schade, C., and Gründl, H. (2009)
Is Default Risk Acceptable When Purchasing Insurance? Experimental Evidence for Different Probability Representations, Reasons for Default, and Framings, Journal of Economic Psychology, 30(1): 11 - 23

Cornand, C. and Heinemann, F. (2009)
Speculative Attacks with Multiple Sources of Public Information, Scandinavian Journal of Economics 111 (1), 73-102

Belomestny, D., Kampen, J. and Schoenmakers, J. (2009)
Holomorphic transforms with application to affine processes, Journal of Functional Analysis, 257(4), 1222-1250

Belomestny, D., Milstein, G. and Spokoiny, V. (2009)
Regression methods in pricing American and Bermudan options using consumption processes, Quantitative Finance, 9(3), 315-327

Belomestny, D., Rueschendorf, L. and Urusov, M. (2009)
Optimal stopping of integral functionals and a "no-loss" free boundary formulation, SIAM Theory Probab. Appl., 53(1)

Belomestny, D., Bender, Ch. and Schoenmakers, J. (2009)
True upper bounds for Bermudan products via non-nested Monte Carlo, Mathematical Finance, 19(1), 53-71.

CRC STAFF

At this point the Collaborative Research Center 649 "Economic Risk" wants to present Hanna Denecke and Jan Peter aus dem Moore, staff members of the project A9 "Service Sector Employment as a Fallback System to Mitigate Low Educated Employees Labor Market Risks".

Hanna Denecke was born in Hannover. She studied economics at the Ruprecht-Karls-Universität Heidelberg and Universität Hamburg where she graduated in 2006. After graduation, Hanna worked for GTZ (German development cooperation) in Dhaka, Bangladesh on labor and social standards in the clothing industry. In September 2008, she successfully completed a Master program at the University of Manchester with focus on development economics and econometrics. In April 2009, Hanna started working as a research assistant at the Chair of Labor Economics of Prof. Alexandra Spitz-Oener at Humboldt-Universität zu Berlin and joined the Berlin Doctoral Program in Economics and Management Science (BDPEMS). She likes to spend time with her friends and enjoys music, good books and traveling.

Jan Peter aus dem Moore was born in Bielefeld, Germany. After studying business and economics at the University of Bayreuth, the EDHEC Nice (France) and the Ohio State University (USA), he earned his M.Sc. in 2005 from the Master Program in Economics and Management Science (MEMS) at Humboldt University. Following his inclination for applied work, he joined the Berlin office of McKinsey & Company, Inc. and worked as a management consultant on healthcare, public sector, and HR projects in Europe, the Middle East and the US, including a yearlong stint as a Fellow at the McKinsey Global Institute, the consultancy's economic think tank in San Francisco. His research interests revolve around applied labor economics and international trade and development. In his leisure time, he likes doing all kinds of sports, going out to concerts/theatre plays and playing jazz music. He also actively supports on a honorary basis two international NGOs who promote European understanding and international development.

QUOTE OF THE MONTH

"Ambition often puts men upon doing the meanest offices; so climbing is performed in the same posture with creeping."

Jonathan Swift
(1667-1745)

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 2009 is 30.06.2009.