COLLABORATIVE RESEARCH CENTER 649
"Economic Risk"

NEWSLETTER

No. 6

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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

23 – 24 June 2010	**Humboldt Distinguished Lecture Series in Applied Mathematics** Location: Humboldt-Universität zu Berlin, Adlershof Campus Program
01 – 02 July 2010	**Symposium on high frequency data in empirical finance** (joint event with CRC 823 at Technische Universität Dortmund) Location: Dortmund Program

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 22
Time: every Monday, 2 p.m.

21 June 2010	**Stephan Seiler** (London School of Economics and Political Science) "The Impact of Competition on Management Practices in Public Hospitals"
28 June 2010	**Ingmar Nolte** (Warwick Business School) "Information Content of Alternative Forecasting Densities"
05 July 2010	**Almut Veraart** (CREATES) "Modelling electricity spot and forward markets by ambit fields"

SCHUMPETER SEMINAR

Location: Spandauer Str. 1, room 23
Time: every Tuesday, 4 p.m.

08 June 2010 **John Duffy**
(University of Pittsburg)
"A General Equilibrium Approach to Asset Pricing Experiments"

15 June 2010 **Alexander Gelber**
(University of Pennsylvania)
"Taxes and Time Allocation: Evidence from Single Women and Men"

22 June 2010 **Attila Korpos**
(Maastricht University)
"Foreign Central Bank Conservativeness and Collective Wage Bargaining"

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.

09 June 2010 **Federico Bandi**
(Johns Hopkins Carey Business School)
"Nonparametric Nonstationary Autoregression and Nonparametric Cointegration Regression: Automated Bandwidth Selection"

16 June 2010 **Korbinian Strimmer**
(Universität Leipzig)
"High-dimensional feature selection by decorrelation: application in genomics and proteomics"

23 June 2010 **Natalia Bochina**
"Bayesian wavelet estimators: optimality and a priori assumptions"

30 June 2010 **Christoph Rothe**
(Toulouse)
"Analyzing Counterfactual Distributions"

07 July 2010 **Jelena Bradic**
(Princeton University)
"Penalized Composite Quasi-Likelihood for Ultrahigh-Dimensional Variable Selection"

REVIEW ABOUT CRC 649 EVENTS

06 – 07 May 2010 **Second Workshop on Marketing Metrics, Risk and Performance Modelling**

The second time after 2009 the CRC B2 project (on Marketing, Branding and Risks) organized a one and a half day workshop focused on the topics marketing metrics, risks and performance modelling. In the recent economic condition these issues have become a particular practical and scientific relevance. A special emphasis of the second workshop therefore was put on the concept of economic risk caused by critical incidents in the firms' marketing management. These risks are generally not the central concepts taken into account in marketing decision frameworks and models.

Sven Tischer

The workshop brought more than 25 researchers from different countries together. In their research presentations they documented how various forms of marketing metrics, and especially different measures considering risks, can be used to predict economic performance and enrich the knowledge. Some studies combined empirical and quantitative modeling approaches from Marketing and Finance others had ties to consumer psychology. The program committee Lutz Hildebrandt, Wolfgang Härdle and Joachim Gassen put together a very interesting program of 11 presentations. The keynote talks were given by Marnik Dekimpe (Tilburg University) editor of the International Journal of Research in Marketing and Kalyan Raman (Northwestern University).

The next workshop is planned in Mai 2011. (ST, LH)

NEWS OF THE PROJECTS

From 30 April to 1 May **Joachim Gassen (A7)** participated at the "Accounting Research Conference", Pennsylvania State University, USA. From 19 to 21 May he also participated at the "33rd Annual Congress of the European Accounting Association" in Istanbul, Turkey and presented his paper "Investor Fear and Earnings Management: VIX-based Evidence" (joint work with Garen Markarian). Furthermore he discussed the paper "Mandatory IFRS Adoption and Investor Asset Allocation Decisions".

Roland Strausz (A8) was the discussant of the paper "Merger Policy with Merger Choice" by Volker Nocke at the 11th TR15 Meeting in Caputh on 19 to 21 May 2010.

Rafaelle Fiocco (A8) presented his paper "The regulation of interdependent markets" at the DIME Workshop "The Changing Governance of Network Industries" on 29 to 30 April 2010.

Ulrich Horst (A11) gave a keynote speech on "Stochastic Cascades, Credit Contagion, and Large Portfolio Losses" at the MITACS Workshop on Financial Networks and Risk Assessment in Toronto (19 to 21 May). Together with Deutsche Bank Research he also organized the first "Berlin Lecture on
Finance: Wege zur neuen Finanzarchitektur" on 17 May with Marcus Brunnermeier of Princeton University as guest lecture.

Wolfgang Härdle (B1) participated in the Second Workshop on Marketing Metrics, Risk and Performance Modelling organised by the Institute of Marketing here at the HU School of Business and Economics on 6 and 7 May 2010. On the 20 May 2010 he gave a presentation entitled "Partial Linear Quantile Regression and Bootstrap Confidence Bands" at CREATES, Aarhus University in Aarhus, Denmark. Wolfgang Härdle also gave a short course on "Modern Tools in Financial Econometrics" at CRETA (Centre for Research in Econometrics and Applications) at NTU (National Taiwan University) from 14 to 15 May 2010.

Furthermore, he has been invited to be advisory board member of the International Society for NonParametric Statistics.

Invited by the School of Mathematics and Computer Science of the University of Mannheim **Volker Krätschmer (B5)** gave a talk on 4 May, 2010 titled "Nichtparametrische Schätzung verteilungsinvarianter Risikomaße".

Nikolaus Hautsch (B8) gave a presentation about "Econometrics of Limit Order Books: Dynamics, Prediction and Market Impact" at Capital Fund Management (CFM) Paris on 7 May 2010 as well as at the University of Leicester on 11 May 2010.

Julia Schaumburg (B8) attended the 2010 International Symposium on Econometric Theory and Applications *(*SETA 2010) that took place from 29 April to 1 May 2010 in Singapore and gave a talk titled "Predicting extreme VaR: An assessment of nonparametric quantile regression in combination with extreme value theory".

Fuyu Yang (B8) made a research visit at the National Graduate Institute for Policy Studies in Tokyo from 12 to 30 May 2010.

Thomas Post (B9) presented his project "Individual Investor Perceptions and Behavior during the Financial Crisis" (jointly with A.O.I. Hoffmann and J.M.E. Pennings) at the IESEG School of Management in Lille (France) on 28 May 2010.

Michael Burda (C7) participated at the event "Humboldt unterwegs" and gave a lecture "Business cycle and purchasing power" at the Alexanderplatz on 15 May, 2010. He was discussion chair on the podium "University and research 200 years after Humboldt" at the Humboldt Forum Wirtschaft on 26 May, 2010.

Furthermore, Burda held a guest lecture "Quo vadis economy" at the meeting of members of the German central association of the electrical and electronic industry in Berlin on 26 May, 2010 and participated in a podium discussion "Comes the D-mark, we remain ..." - The economic and monetary union from 1990 in historical perspective – on 27 May, 2010 in Potsdam. He also took part in a roundtable "American Studies and the Economy" at the Jakob-und-Wilhelm-Grimm Zentrum on 28 May, 2010 in Berlin.

Frank Heinemann (C10) gave a talk on "The Power of Sunspots: An Experimental Study" at the research seminar of University Osnabrück on 11 May. On 6 to 8 May, he participated in the annual meeting of the Sozialwissenschaftlicher Ausschuss des Vereins für Socialpolitik.

Stephanie Kremer (C14) presented the paper "Herding of Institutional Investors" at the 17th International Conference "Forecasting Financial Markets", 26 to 28 May 2010, Hannover.

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":

08.06.2010 - 12.06.2010

Reemda Jaeschke
Project: The relationship between Corporate Environmental Disclosure and Share Prices
Ziegelstr. 13a, room 607, phone: 2093 1455

31.05.2010 - 23.06.2010

Chengguang Li
TU München
Project: The effect of own firm and other firms experience on the foreign market entry decision of firms
Ziegelstr. 13a, room 607, phone: 2093 1455

26.05.2010 - 06.08.2010

Guan-Cheng Li
University of California, Berkeley
Project: Huge dataset processing and statistical learning, from algorithm design to implementation
Ziegelstr. 13a, room 504, phone 2093 5623

04.05.2010 – 21.07.2010

Philip Przybilla
HTW Berlin
Project: Asymmetrische Information und sektorale Liquidität - Eine Untersuchung unterschiedlicher Konzentrationsstärken
Ziegelstr. 13a, room 601, phone 2093 1462

08.03.2010 – 01.03.2011

Ralf Sabiwalsky
Freie Universität Berlin
Project: Traditional CAPM valuation is based on the assumption of elliptically distributed asset returns and two-moment-preferences
Ziegelstr. 13a, room 601, phone 2093 1462

15.02.2010 – 31.12.2010

Anastasia Kraft
Freie Universität Berlin
Project: Regression model based on two methods, the factor approach and the constructive capitalization
Ziegelstr. 13a, room 601, phone 2093 1462

08.02.2010 – 29.10.2010

Thomas Lagner
Technische Universität Berlin
Project: The Influence of Credit Ratings on Corporate Strategy
Ziegelstr. 13a, room 607, phone 2093 1455

26.10.2009 – 29.10.2010

Kai-Sören Schultheis
Universität St. Gallen
Project: Explanatory Power of Implied Correlations in Equity Markets
Ziegelstr. 13a, room 601, phone 2093 1462

12.10.2009 - 30.06.2010

Maximilian Kuhn
Freie Universität Berlin
Project: Energy Markets Research, "Was treibt den Ölpreis?"
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

2010-025 **Stephanie Kremer**
"Herding of Institutional Traders"

2010-026 **Vladimir Panov**
"Non-Gaussian Component Analysis: New Ideas, New Proofs, New Applications"

2010-027 **Philipp Johann König**
"Liquidity and Capital Requirements and the Probability of Bank Failure"

2010-028 **Christine Binzel, Dietmar Fehr**
"Social Relationships and Trust"

2010-029 **Mengmeng Guo, Wolfgang Karl Härdle**
"Adaptive Interest Rate Modelling"

2010-030 **Fang Yao**
"Can the New Keynesian Phillips Curve Explain Inflation Gap Persistence?"

2010-031 **James E. Gentle, Wolfgang Karl Härdle**
"Modeling Asset Prices"

PUBLICATIONS

Söhl, J. (2010)
Polar sets for anisotropic Gaussian random fields,
Statistics & Probability Letters, 80, 9-10, 840-847.
DOI:10.1016/j.spl.2010.01.018

Hanewald, K. (2010)
Factors driving aggregate mortality rates in postwar Germany, Zeitschrift für die gesamte Versicherungswissenschaft, 99, 2, 211–229.
DOI: 10.1007/s12297-010-0086-2.

CRC STAFF

At this point Collaborative Research Center "Economic Risk" 649 would like to present Patrick Bunk, staff member of project C7 "Labor Markets, Technology, and Macroeconomic Risk".

Patrick Bunk was born in Berlin. He studied Economics at the Humboldt-Universität zu Berlin and worked as a student research assistant at the Chair of Prof. Michael Burda. In the academic year 2006-2007 he received a DAAD scholarship and studied at the Graduate School of the Northwestern University, IL, USA. In his thesis, he explored identification possibilities and economic interpretations for News Shocks in SVARs. Since December 2009 he works at the Chair of Prof. Michael Burda. His research focuses on monetary macroeconomics and macroeconometrics. In his free time, he enjoys movies, sailing and free climbing.

QUOTE OF THE MONTH

"However beautiful the strategy, you should occasionally look at the results."

Sir Winston Churchill (1874 - 1965)