



# NEWSLETTER

**No. 8**  
5 August 2011

Humboldt-Universität zu Berlin  
Collaborative Research Center 649  
Spandauer Straße 1  
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## REVIEW ABOUT CRC 649 EVENTS

17 – 18 June 2011

### 19<sup>th</sup> Conference Cheap Talk and Signaling

The WZB has staged its 19th conference on Markets and Politics on June 17–18, 2011, in Berlin. At this conference, researchers of international reputation in economics, sociology and biology, and young economists, have presented and discussed their new theoretical, experimental and empirical work on communication and signaling. The objective was to promote interaction between researchers in these fields and to inspire participants with new ideas of how to combine theoretical, experimental and empirical methods to investigate



Information transmission in different settings.

Speakers, among others, were Muriel Niederle (Stanford University), Marco Battaglini (Princeton University), Andreas Blume (University of Pittsburgh) and Francesco Squintani (University of Warwick).

Participants of the Conference

The conference was organized by **Lydia Mechtenberg** and **Dorothea Kübler (A6)** in collaboration with Paul Heidhues and **Roland Strausz (A8)**. It was funded by Volkswagenstiftung, the CRC 649 and the ESMT. (LM)



30 June – 2 July 2011

## CRC 649 Annual Conference



The 7th annual conference of CRC 649 took, again, place in Motzen at Hotel Residenz am Motzener See. Far from the noisy city of Berlin, with limited cell-phone reception, the conference provided the perfect environment for various talks by the 50 participating CRC members.

Michael Burda and Wolfgang Härdle declare the buffet open

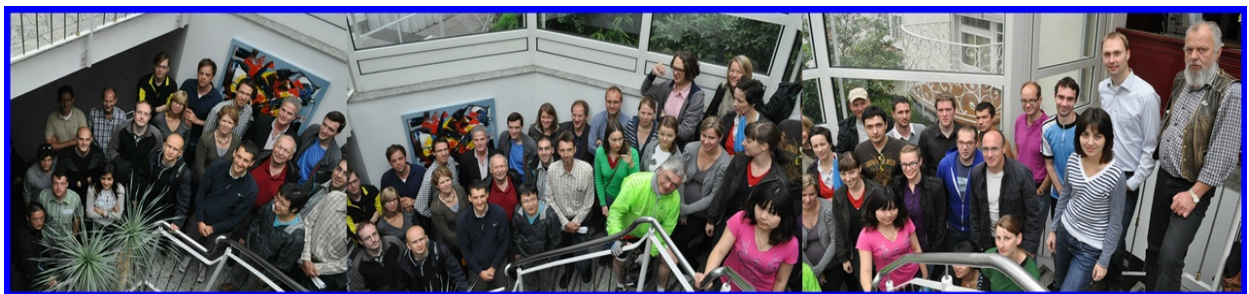
Thus, scientific engagement took place in a very concentrated and fertile atmosphere and all of the participants were able to gain valuable feedback on their work.

Despite this year's rainy weather many participants engaged in sport activities and enjoyed swimming after the presentations.

These activities provided a perfect supplement to the highly constructive and fruitful plenary and group sessions, during which scientific talks and discussions were held.

On the last evening, as has become tradition by now, the participants gathered around the campfire and sang traditional songs.

The conference ended with all the CRC members joining together for a group photo. Due to the weather conditions the photo had to be taken inside – a first in the "Motzen tradition".



Participants of the CRC 649

**NEWS OF THE PROJECTS**

**Dietmar Fehr (A6)** attended the 2011 Annual International Meeting of the Economic Science Association held from July 7-10 at the University of Chicago. He presented two projects: "Coordination and Endogenous Communication" and "Confidence Cycles" (joint with John Duffy).

**Ulrich Horst (A11)** gave an invited presentation on "Whom do Dark Pools Benefit? A Screening Model with Outside Option" at the 7th International Conference on Industrial and Applied Mathematics" that took place in Vancouver July 18 - 22.

**Peter Imkeller (A11)** gave a talk about "Cross Hedging and (F)BSDE of Quadratic Growth" at the \*2nd NTH Workshop on Finance and Insurance Mathematics\*, 30 June - 2 July at TU Braunschweig.

On 8 July he held a talk at TU Munich about "Modeling paleo-climatic time series by random dynamical systems with Lévy noise." Further he gave a talk about "Utility maximization and systems of (F)BSDE of quadratic growth" at the Workshop on Topics in Stochastic Control, Milano, 11 - 13 July. From 25 to 29 July he participated at the "7th European Nonlinear Dynamics Conference (ENOC 2011)" in Rome and gave a talk about "Reaction-diffusion Equations with Lévy Noise and Climat Metastability".

**Andrija Mihoci (B1)** gave a talk about "An overview on empirical evidence for the EPK Puzzle" in the Workshop "Pricing Kernel Puzzle" on 12 July 2011 at Konstanz University.

**Brenda Lopez (B1)** participated in the Workshop "Pricing Kernel Puzzle" on 12 July 2011 at Konstanz University. The title of her talk was "State Pricing Densities for Weather Derivatives".

**Maria Grith (B1)** talked about "A Microeconomic Explanation of the EPK Paradox" in the Workshop "Pricing Kernel Puzzle" on 12 July 2011 at Konstanz University.

**Lutz Hildebrandt (B2)** attended the EIRASS conference from July, 15-18, 2011 in San Diego and presented the joined work with **Jana Diels (B2)** and **Nicole Wiebach (B2)** on "Towards understanding customers' substitution patterns when branded items become unavailable".

**Franziska Schulze (B8)** attended the 5th World Conference of the Spatial Econometrics Association in Toulouse 6 - 8 July, where she gave a talk on "Regional Unemployment in Germany".

**(B8)** The latest version of the order-book generating online tool LOBster is now online. This joint project with the RDC gives users from all around the world easy access to level 2 data for any NASDAQ-traded equities. Currently, data for the period 2008 - 2010 is available. For full access please register on the LOBster page, if you have any questions contact Tomas Polak.

**Melanie Schienle (B11)** visited the University of Mannheim for a research stay with Enno Mammen and Kyusang Yu from 25 – 27 July.

**Stephanie Kremer (C14)** successfully defended her Ph.D. thesis "Essays in Applied Panel Data Econometrics" on 6 June.

## GUESTS OF THE CRC 649

You find a summary about all guests here:  
[http://sfb649.wiwi.hu-berlin.de/fedc/guests\\_en.php](http://sfb649.wiwi.hu-berlin.de/fedc/guests_en.php)

### Current Guests of the CRC 649 "Economic Risk":

22.06.2011 –  
31.08.2011

**Shih-Kang Chao**

National Taiwan University  
 Guest Researcher Program for Young Researchers  
 Project: Financial systemic risk measure, quantile regression, sequential analysis  
 Spandauer Straße 1, 10178 Berlin, room 312, phone 2093 5748



01.08.2011 –  
31.08.2011

**Kiho Jeong**

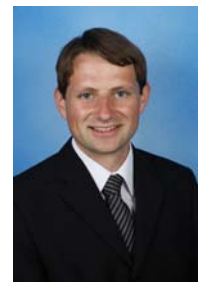
Kyungpook National University, Südkorea  
 Project: Discrete Choice Model (with Neural Network Model), Time Series Econometrics, and Input - Output Model  
 Spandauer Str. 1, 10178 Berlin, room 312, phone 2093 5748



08.08.2011 –  
19.08.2011

**Sebastian Utz**

Universität Regensburg  
 Guest Researcher Program for Young Researchers  
 Project: Inverse nachhaltige Portfoliooptimierung  
 Spandauer Str. 1, 10178 Berlin, room 318, phone 2093 5895



18.07.2011 –  
20.08.2011

**Pui Sun Tam**

Faculty of Business Administration University of Macau  
 Guest Researcher Program for Young Researchers  
 Project: Stock market integration  
 Spandauer Str. 1, 10178 Berlin, room 312, phone 2093 5748



23.05.2011 -  
30.08.2011

**Julian Dragendorf**

Freie Universität Berlin  
Project: An Empirical Analysis in Accounting Conservatism and Insider Trading – Evidence From Germany  
Spandauer Straße 1, 10178 Berlin, room 318, phone 2093 5895



16.05.2011 -  
30.12.2011

**Tobias Vetter**

Hochschule für Ökonomie und Management  
Project: Performance- und Kostenvergleich zwischen Portfolios mit aktiv gemanagten Investmentfonds und passiven Indexfonds (ETF's)  
Spandauer Straße 1, 10178 Berlin, room 318, phone 2093 5895



09.05.2011 -  
09.08.2011

**Thomas Schäfer**

Freie Universität Berlin  
Project: Bestimmung der Insolvenzwahrscheinlichkeit - Eine Prognoseeignungsstudie  
Spandauer Straße 1, 10178 Berlin, room 318, phone 2093 5895



28.07.2011 –  
14.08.2011

**Alexander Matthies**

CAU Kiel  
Project: Determinants of Corporate Credit Ratings and Rating Transitions  
Spandauer Str. 1, 10178 Berlin, room 318, phone 2093 5895



02.05.2011 -  
31.12.2011

**Anastasia Kraft**

Freie Universität Berlin  
Project: An inter-country comparison of lease disclosures in the assessment of equity risk Evidence from UK and Germany  
Spandauer Straße 1, 10178 Berlin, room 318, phone 2093 5895



26.04.2011 -  
10.09.2011

**Timotej Jagrič**

University of Maribor  
Project: banking sector integration among EU countries  
Spandauer Straße 1, 10178 Berlin, room 318, phone 2093 5895



23.04.2011 -  
23.09.2011

**Hai Yen Ngo**

Freie Universität Berlin

Project: Determinaten des Prüferwechsels -  
eine empirische Untersuchung  
Spandauer Straße 1, 10178 Berlin, room 318,  
phone 2093 5895



15.02.2011 -  
15.08.2011

**Falko-Alexander Schulz**

Project: Estimation of high-dimensional  
conditional covariances  
Spandauer Straße 1, 10178 Berlin, room 318,  
phone 2093 5895



17.01.2011 -  
17.01.2012

**Aleksandra Rzezniak**

Europa Universität Viadrina

Project: Estimation of abnormal returns arisen  
as a result of new joint venture announcements  
Spandauer Straße 1, 10178 Berlin, room 318,  
phone 2093 5895



21.06.2010 –  
31.12.2012

**Magdalena Tchikov**

Freie Universität Berlin

Project: Empirical analysis of CDS pricings;  
Consistency to prevalent pricing models  
Spandauer Straße 1, 10178 Berlin, room 318,  
phone 2093 5895



**NEW DISCUSSION PAPERS**

You find all discussion papers here:

[http://sfb649.wiwi.hu-berlin.de/fedc/discussionPapers\\_en.php](http://sfb649.wiwi.hu-berlin.de/fedc/discussionPapers_en.php)

- 2011-040**      **Patrick Bunk**  
"News-driven Business Cycles in SVARs"
- 2011-041**      **Ulrich Bindseil, Jeroen Lamoot**  
"The Basel III framework for liquidity standards and monetary policy implementation"
- 2011-042**      **Santiago Moreno-Bromberg, Luca Taschini**  
"Pollution permits, Strategic Trading and Dynamic Technology Adoption"
- 2011-043**      **Santiago Moreno-Bromberg, Traian A. Pirvu, Anthony Réveillac**  
"CRRRA Utility Maximization under Risk Constraints"
- 2011-044**      **Axel Groß-Klußmann, Nikolaus Hautsch**  
"Predicting Bid-Ask Spreads Using Long Memory Autoregressive Conditional Poisson Models"
- 2011-045**      **Stephan Stahlschmidt, Helmut Tausendteufel, Wolfgang K. Härdle**  
"Bayesian Networks and Sex-related Homicides"
- 2011-046**      **Raffaele Fiocco, Carlo Scarpa**  
"The Regulation of Interdependent Markets"
- 2011-047**      **Raffaele Fiocco, Mario Gilli**  
"Bargaining and Collusion in a Regulatory Model"
- 2011-048**      **Song Song and Peter J. Bickel**  
"Large Vector Auto Regressions"
- 2011-049**      **Alexander Meyer-Gohde**  
"Monetary Policy, Determinacy, and the Natural Rate Hypothesis"



## PUBLICATIONS

**Xia, C., Härdle, W. and Zhu, L. (2011)**

Generalized single index models: the EFM approach, Ann. Statist. ,39, No. 3, 1658–1688  
DOI: 10.1214/10-AOS871

**Mußhoff, O., Odening, M., and Xu, W. (2011)**

Management of Climate Risks in Agriculture - Will Weather Derivatives Permeate? Applied Economics, 43(9), 1067-1077.  
DOI: 10.1080/00036840802600210

**Biele, G., Krugel, L., Rieskamp, J., Heekeren, H. (2011)**

The Neural Basis of Following Advice. PLoS Biology, June 21, 9(6): e1001089.  
DOI: 10.1371/journal.pbio.1001089

**Park, SQ, Kahnt, T., Rieskamp, J., Heekeren, H. (2011)**

Neurobiology of value integration: When value impacts valuation. Journal of Neuroscience, June 22, 31(25):9307-9314.  
DOI: 10.1523/JNEUROSCI.4973-10.2011

**Hanewald, K. (2011)**

Explaining Mortality Dynamics: The Role of Macroeconomic Fluctuations and Cause of Death Trends, North American Actuarial Journal, 15(2): 290-314.

## QUOTE OF THE MONTH

"Happiness is not something you postpone for the future; it is something you design for the present."

Jim Rohn (1930-2009)

Please also note that the newsletter is published on the homepage of the CRC 649.

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**The CRC 649 – Newsletter is published at the beginning of each month.  
Editorial deadline for the ninth Newsletter 2011 is 29.08.2011.**