



NEWSLETTER

No. 6
4 June 2012



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_actual.php

05 – 06 June 2012

DFG Evaluation

Location: HU, Spandauer Str. 1, Berlin
Please note: only for members of CRC 649

07 – 08 June 2012

Field Days: Experiments Outside the Laboratory

Location: WZB, Reichpietschufer 50,
10785 Berlin, Raum A300/A310

REGULAR RESEARCH SEMINARS

An overview is available at:

<http://sfb649.wiwi.hu-berlin.de/fedc/seminars.php>

ECONOMIC RISK SEMINAR

14 June 2012

Markus Schmid

(University of St. Gallen)

"The Value of Director Industry Experience"

Location: Dorotheenstr. 1 - Room 005

Time: Thursday, 2 – 4 p.m.

SCHUMPETER SEMINAR

Location: Spandauer Str. 1, room 23

Time: every Tuesday, 4 – 6 p.m.

12 June 2012

Wei Cui

(Princeton University)

"Optimal Monetary Responses to Asset Price Levels and Fluctuations: A Ramsey Primal Approach"

19 June 2012

David Dorn

(CEMFI, Madrid)

"Trade Adjustment: Worker-Level Evidence"

WIAS RESEARCH SEMINAR MATHEMATICAL STATISTICS

13 June 2012

Nicolas Verzelen

(INRA Montpellier, France)

"Minimax risks for sparse regression: a review"

REVIEW ABOUT CRC 649 EVENTS

29 April – 1 May 2012 **Berlin-Dortmund Workshop 2012:
“Methods and Challenges in Financial Risk
Measurement”**

This year’s joint workshop of the CRC 649 and CRC 823 of TU Dortmund “Statistical Modelling of Nonlinear Dynamic Processes” took place at the Kloster Drübeck (Harz, Germany). The workshop focused on “Methods and Challenges in Financial Risk Measurement” provided an ideal platform for the two closely related Research Centres with the opportunity to exchange research results and discuss the latest developments in the field of financial econometrics and risk management. It was organized by CRC 649 project B11- in particular Melanie Schienle and Christian Gische.

After the arrival on Sunday morning and joint lunch, the workshop was officially opened by Wolfgang Härdle. The first presentations were given by Yacov Ritov from Hebrew University of Jerusalem and Melanie Schienle from the Econometrics group at Humboldt-Universität on *The Bayesian Paradigm on High Dimensions* and *Semiparametric Estimation with Generated Covariates* respectively.

In total, 18 members of the two CRCs participated at the workshop, 10 of them from Chair of Econometrics, Chair of Statistics or the Faculty of Mathematics of Humboldt-Universität and eight from the Statistics Faculty of TU Dortmund and Bochum. As guest researchers Prof. Yacov Ritov and Prof. Ming Yuan from School of Industrial and Systems Engineering at Georgia Tech joined the workshop and



contributed interesting presentations about *The Bayesian Paradigm on High Dimensions* and *Efficient Portfolio Selection in a Large Market* respectively. Additionally, Clemens Heine and Alice Blanck from Springer Verlag were invited to introduce a new format for E-book publishing to the large scientific audience.

Participants of the Berlin-Dortmund Workshop 2012

The first day ended with joint dinner and lively discussions in the Klosterweinstube where participants had the chance to exchange their latest results and discuss the topics presented during the first session. On Monday the 2nd session started at 9.30 a.m. and ended at 6.30 p.m. During the breaks the participants were able to either enjoy the historical architecture and the beautiful gardens of the Kloster or follow a lunch hike led by Prof. Härdle. With its up to date location and the latest equipment for presentations, the Kloster provided a great place and environment for the success of the workshop.

The workshop ended with a presentation of Prof. Walter Kraemer on *Testing for a change in the dependence structure of financial asset returns* on Monday at 11.30 a.m.

One main goal of the workshop was to promote young researchers and give them the chance to present their topics to experienced researchers and discuss their results in this intellectually inspiring setting.

To achieve this, each of the Early Stage Researchers from both universities acted as a discussant for an experienced researcher and vice versa. Finally, due to the positive feedback of the participants and the perfect environment provided by the Kloster-Team, the series of joint CRC Workshops will be continued in Drübeck. (MS)

10 – 11 May 2012

4th Workshop on Marketing Metrics, Risk and Performance Modeling Risk

The 4th Workshop on Marketing Metrics, Risk and Performance Modeling Risk was held from 10 to 11 May 2012 by Lutz Hildebrandt (B2), Daniel Klapper, Joachim Gassen (A7) and Wolfgang Härdle (B1).

Invited speakers to this year’s workshop were Prof. Kalyan Raman (Kellogg School of Management, Northwestern University) who held a lecture on the topic “Risk as a Source of Profitability” and Prof. Wesley Hartmann (Graduate School of Business, Stanford University) who gave a speech on “Advertising in the Context of Uncertain Demand”. (JD)



Prof. Kalyan Raman

29 – 30 May 2012

Märkische Schweiz Summer School on Statistics in Finance and Insurance

"Märkische Schweiz Summer School on Statistics in Finance and Insurance" the joint workshop of Humboldt-Universität zu Berlin and Faculty of Economics, Rijeka took place between 29 and 30 May 2012 at Tornower See in Oberbarnim. The researchers who participated in the seminar came from Humboldt-Universität zu Berlin, University of Rijeka (Faculty of Economics, Department of Mathematics) and University of Pula (Department of Economics and Tourism). With this meeting we continue a series of workshops which started in 2010 in Zagreb (Croatia) and then followed in 2011 in Rijeka (Croatia). Most of the participants presented their current research topics along with their latest results; presentations were always followed by lively discussion and debate which helps to share ideas and knowledge between German and Croatian groups.



Participants of the Summer School

Haus am Tornower See is an ideal venue for a scientific meeting; it is a former villa of a Gräfin Luise Itzenplitz hidden in the forest with a picturesque view on a Tornow lake, which is peaceful, beautiful and surrounded by nature. At the same time it gives people the opportunity to carefully consider scientific problems and get to know other researchers. After an official program, active scientific discussions continue till the late night. We would also like to thank Andrija Mihoci (B1) for a perfect organization of this event. (OO)

NEWS OF THE PROJECTS

Dorothea Kübler (A6) participated in the annual conference of the Sozialwissenschaftlicher Ausschuss des Vereins für Socialpolitik in Jena from 3 to 5 May 2012. She gave a presentation of her paper "Implementing quotas in university admissions: Experimental evidence" at the NYUAD Conference to Plan the Winter Institute for Experimental Social Science in Abu Dhabi from 27 to 28 May 2012.

Joachim Gassen (A7) attended the Accounting Workshop at Erasmus University Rotterdam on 27 April 2012. He gave a talk entitled "Does Disclosure Level the Playing Field? Italian Market Microstructure Evidence" [joined work with Claudia Gabbionetta (DITEA - Genova) and Pietro Mazzola (IULM and SDA Bocconi)]. Furthermore he attended the 35th annual congress of the European Accounting Association in Ljubljana from 5 to 11 May 2012. He was part of the core faculty for the doctoral colloquium and gave a talk entitled "Financial Accounting Regime Choice When Objectives Compete" (joined work with Timo Eisenschink) at the main conference on 11 May 2012. He also was discussant a paper by Encarna Guillamon (University Madrid) entitled "Self-Serving Financial Reporting Communication: A Study of the Association between Earnings Management and Impression Management" on that day.

Roland Strausz (A8) gave a seminar presentation on "Who Should Pay for Certification?" at MPI in Bonn on 9 May 2012.

Wolfgang Härdle (B1) gave a talk at Fudan University Shanghai on "Applied Multivariate Techniques" on 19 May 2012. He also gave a talk at Xiamen University on the occasion of the 3rd Humboldt- WISE workshop on nonstationary and highdimensional time series analysis on "risk perception and correlated brain activities" on 21 March 2012.

Barbara Choroś-Tomczyk (B1) gave a talk "On the Propagation of Implied Base Correlation Surfaces" at the 3rd Xiamen-Humboldt Workshop on "Nonparametric and Nonstationary Econometrics" that took place in Wang Yanan Institute for Studies in Economics (WISE), Xiamen University from 19 to 20 May 2012. She also gave a talk on "Measuring Risk of Synthetic CDOs" at the International Workshop on Modern Methods in Financial Statistics that took place in the School of Mathematical Sciences of Soochow University between 21 and 23 May 2012.

Brenda Lopez-Cabrera (B1) participated in the Seminar of Joint Risk & Stochastics and Financial Mathematics with the talk on "State Price Densities implied from Weather Derivatives" at LSE on 10 May 2012.

Mengmeng Guo (B1) gave a talk on "Functional Data Analysis for Generalized Quantile Regression" on the 3rd XMU-HUB workshop from 19 to 20 May 2012 at Xiamen University, China. She also gave a talk on "Functional Data Analysis for Generalized Quantile Regression" at the International Workshop on Modern Methods in Financial Statistics from 21 to 23 May 2012 at the University Suzhou, China.

Lutz Hildebrandt and **Sven Tischer (both B2)** participated at the 41th Annual Conference of the EMAC European Marketing Academy in Lisbon (Portugal) from 22 to 25 May 2012 and presented the paper "Brand equity – how is it affected by critical incidents and what moderates the effect".

Nikolaus Hautsch (B8) participated in the "Financial Econometrics Conference" that took place at the Toulouse School of Economics from 11 to 12 May 2012 and gave a presentation on "Financial Network Systemic Risk Contributions".

Julia Schaumburg (B8) visited the Tilburg University for a research stay from 6 to 26 May 2012.

Gustav Haitz (B8) visited the Warwick Business School at the University of Warwick from 14 to 17 May 2012 to work on a joint project with Ingmar Nolte and Nikolaus Hautsch investigating the order book dynamics of high frequency asset price jumps.

Axel Groß-Klußmann (B8) successfully defended his Ph.D. thesis "An Econometric Analysis of Intra-daily Stock Market Liquidity, Volatility and News Impacts" on 14 May 2012.

Ostap Okhrin (B10) visited Per Mykland (University Chicago) from 15 to 25 May 2012 and gave a talk on "Realized Copula".

Melanie Schienle (B11) attended the SETA Shanghai 2012 from 19 to 21 May 2012 where she presented her paper on "Semiparametric Estimation with General Covariates".

Michael C. Burda (C7) held a lecture entitled "Dealing with the Great Recession: Germany v. US" on 3 May 2012 at the ESCP Europe Wirtschaftshochschule in Berlin. He participated in the "Review of Economic Studies May Meetings 2012" from 10 to 11 May 2012 at the University of Mannheim. He gave a talk entitled "The financial crisis, the national debt crisis and their consequences" on 15 May 2012 at the Dresdner Legal Society. He participated in the 3rd XMU-HUB workshop on "Nonparametric and Nonstationary Econometrics" from 19 to 20 May 2012 at Xiamen and held a lecture on "Unionization, Stochastic Dominance, and Compression of the Wage Distribution". On 22 May 2012 he participated in a panel discussion "Change of government and financial crisis in Italy" at the Center of Italy, Freie Universität Berlin. He participated in the "Humboldt Forum Wirtschaft" on 23 May 2012 and took part on a panel discussion "What keeps Europe together in the future".

Frank Heinemann (C10) participated in the annual conference of the Sozialwissenschaftlicher Ausschuss des Vereins für Socialpolitik in Jena from 3 to 5 May 2012.

Philipp König (C10) gave invited presentations at the National Bank of Belgium's "International Lunch Debate" and before the Belgian Financial Forum's Monetary Commission about "TARGET2 and the European Sovereign Debt Crisis" on 9 May 2012. He presented his paper "Liquidity and Solvency in a Model of emerging Market Crises" at the "Workshop on Money, Banking, and Financial Markets" at the Heinrich-Heine-Universität Düsseldorf on 24 May 2012.

Markus Bibinger (C 12) gave a talk on "Spectral estimation of the covolatility matrix using local weights" at the 3rd WISE-Humboldt workshop on 20 May 2012 in Xiamen, China.

Jakob Söhl (C12) presented his work "Confidence sets in nonparametric calibration of exponential Lévy models" at the "Research Seminar in Mathematical Econometrics, Statistics and Finance" in Mannheim on 8 May 2012.

Wenjuan Chen (C14) presented her paper "Do Japanese Stock Prices Reflect Macro Fundamentals" at the Nineteenth Forecasting Financial Markets Conference held in Marseille, France on 24 May 2012.

Lars Winkelmann (C14) presented a joint paper with **Till Strohsal (C14)** entitled "Assessing the Anchoring of Inflation Expectations" at the ZEW Conference on "The Role of Expectations in Financial Markets" in Mannheim from 10 to 11 May 2012.

Thorsten Dickhaus (A14) attended the 3rd WISE-Humboldt Workshop at Xiamen University in China from 19 to 20 May 2012 and gave a talk on "Simultaneous Statistical Inference in Dynamic Factor Models".

GUESTS OF THE CRC 649

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

Current Guests of the CRC 649 "Economic Risk":

31.05.2012 -
29.06.2012

Honda, Toshio
Graduate School of Economics,
Hitotsubashi University, Japan

Project: *Research on quantile and non- and semi-parametric regression*

Spandauer Str. 1, room 318, phone 2093 5748



23.05.2012 -
23.08.2012

Hilke Hollander
University of Oldenburg

Project: *Asset Securitization, Credit Spreads and Bank Risk*

Spandauer Str. 1, room 318, phone 2093 5895



07.05.2010 -
06.08.2012

Joerg Prokop
University of Oldenburg

Project: *Credit Rating Agencies and Transnational Finance*

Spandauer Str. 1, room 318, phone 2093 5895



23.04.2012 -
30.06.2012

Haenni, Vincent
University of St. Gallen, Switzerland

Project: *Why and how to trade dividends?*

Spandauer Str. 1, room 318, phone 2093 5895

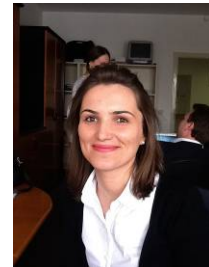


23.04.2012 -
22.07.2012

Ioana Andree Duca
Academy of Economic Studies Bucharest

Project: *Quantifying the Impact of Financial Markets on Macroeconomic Dynamics Using VAR Model and Cointegration Techniques*

Spandauer Str. 1, room 312, phone 2093 5748



01.04.2012 -
31.05.2012

Jaeschke, Reemda
Carl von Ossietzky University Oldenburg

Project: *Corporate Environmental Disclosure – Determinants and Consequences: A British-German perspective*

Spandauer Str. 1, room 318, phone 2093 5895



21.03.2012 -
30.06.2012

Andreas Stephan
Jönköping University

Project: *The impact of Private Equity on Firm Performance: A European Cross-Country Comparison*

Spandauer Str. 1, room 318, phone 2093 5895



19.03.2012 -
19.06.2012

Burcu Erdogan
Universität Trier

Project: *Puzzles in International Macroeconomics Revisited: Risk versus Ambiguity*

Spandauer Str. 1, room 318, phone 2093 5895



16.03.2012 -
31.07.2012

Jessica King
Humboldt Universität Berlin

Project: *Insider Trading*

Spandauer Str. 1, room 318, phone 2093 5895

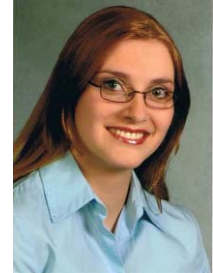


21.06.2010 -
31.12.2012

Magdalena Tchikov
Freie Universität Berlin

Project: *Empirical analysis of CDS pricings;
Consistency to prevalent pricing models*

Spandauer Str. 1, room 318, phone 2093 5895



NEW DISCUSSION PAPERS

You find all discussion papers here:

<http://sfb649.wiwi.hu-berlin.de/fedc/discussionPapers.php>

- 2012-032** **Barbara Choros-Tomczyk, Wolfgang Karl Härdle, Ludger Overbeck**
"Copula Dynamics in CDOs"
- 2012-033** **Thorsten Dickhaus**
"Simultaneous Statistical Inference in Dynamic Factor Models"
- 2012-034** **Matthias R. Fengler, Ostap Okhrin**
"Realized Copula"
- 2012-035** **Simon Jurkatis, Stephanie Kremer, Dieter Nautz**
"Correlated Trades and Herd Behavior in the Stock Market"
- 2012-036** **Ostap Okhrin, Alexander Ristig**
"Hierarchical Archimedean Copulae: The HAC Package"
- 2012-037** **Wenjuan Chen, Anton Velinov**
"Do Japanese Stock Prices Reflect Macro Fundamentals?"
- 2012-038** **Peter N. C. Mohr, Hauke R. Heekeren**
"The Aging Investor: Insights from Neuroeconomics"
- 2012-039** **Fabian Y.R.P. Bocart, Christian M. Hafner**
"Volatility of price indices for heterogeneous goods"
- 2012-040** **Jens Kolbe, Rainer Schulz, Martin Wersing, Axel Werwatz**
"Location, location, location: Extracting location value from house prices"

PUBLICATIONS

Beresford, A., Kübler, D. and Preibusch, S. (2012):

Unwillingness to Pay for Privacy: A Field Experiment.
Forthcoming in Economics Letters,
DOI: <http://dx.doi.org/10.1016/j.econlet.2012.04.077>

Härdle, W., Schulz, R. and Wang, W. (2012)

Prognose mit nichtparametrischen Verfahren.
in: Prognoserechnung, 7. Auflage ed. Mertens, Physica Verlag.p
167-181.
DOI: 10.1007/978-3-7908-2797-2

Huck, S., Kübler, D. and Weibull, J. (2012)

Social Norms and Economic Incentives in Firms.
Journal of Economic Behavior and Organization.
DOI: 10.1016/j.jebo.2012.05.005

Meller, B., Nautz, D. (2012)

Inflation persistence in the Euro area before and after the
European Monetary Union.
Economic Modelling, 29 March 2012, 1170-1176.
DOI: 10.1016/j.econmod.2012.03.016

Schaumburg, J. (2012):

Predicting extreme VaR: Nonparametric quantile regression with
refinements from extreme value theory.
Computational Statistics and Data Analysis, in press.
DOI: 10.1016/j.csda.2012.03.016

CRC STAFF

At this point the Collaborative Research Center 649 "Economic Risk" wants to present Jens Stange, staff member of project A14 "Statistical inference methods for assessing the genetic basis of risk preferences".



Jens Stange received his Diploma degree in Mathematics from the Humboldt-Universität Berlin in 2012. His diploma thesis dealt with application of multiple testing theory to genetic association studies. He investigated how intrinsic correlation structures in the genome, so called Linkage disequilibrium, can be used for multiplicity adjustment, which is more powerful than, e.g. the Bonferroni method. During his studies he worked as a student assistant for Prof. Thorsten Dickhaus in the statistics section at the Department of Mathematics. Currently, he is working as research assistant at the project A14 "Statistical inference methods for assessing the genetic basis of risk preferences".

Besides mathematics he likes music, the classical as well as the modern electronic, also he is a great football fan. (JS)

QUOTE OF THE MONTH

"A successful man is one who can lay a firm foundation with the bricks others have thrown at him."

David Brinkley (1920 - 2003)

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 2012 is 30.06.2012.**