COLLABORATIVE RESEARCH CENTER 649

"Economic Risk"

NEWSLETTER

No. 11

7 November 2012

Humboldt-Universität zu Berlin
Collaborative Research Center 649
Spandauer Straße 1
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REGULAR RESEARCH SEMINARS

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

ECONOMIC RISK SEMINAR

Location: Spandauer Straße 1 - Room 23
Time: every Monday, 2.00 – 4.00 p.m.

05 November 2012	**Yuriy Kaniovskyi** (Free University of Bozen) "A comparison of two coupling schemes for modeling dependent credit rating transitions"
12 November 2012	**Rüdiger Fahlenbrach** (EPF Lausanne) "The dark side of outside directors: Do they quit ahead of trouble?"
19 November 2012	**Victor DeMiguel** (London Business School) "Practical Portfolio Optimization"
26 November 2012	**Maria Teresa Gonzalez Perez** (CUNEF Madrid) "Periodic pattern in high-frequency data"

SCHUMPETER SEMINAR

Location: Spandauer Str. 1, room 23
Time: every Tuesday, 4.00 – 6.00 p.m.

06 November 2012	**Almut Scholl** (Universität Konstanz) "A Quantitative Model of Sovereign Debt, Bailouts and Conditionality"
13 November 2012	**Matías Cortés** (University of Manchester) "Where Have the Middle-Wage Workers Gone? A Study of Polarization Using panel Data"
20 November 2012	**Alexander Kriwoluzky** (Universität Bonn) "On the co-movement between inflation and Public deficits: Evidence from a Time-varying Frequency Domain Approach"

27 November 2012 | **Leo Kaas**
(University of Konstanz)
"Self-Fulfilling Credit Cycles"

WIAS RESEARCH SEMINAR MATHEMATICAL STATISTICS

Location: Weierstrass Institute for Applied Analysis and Stochastics, Mohrenstraße 39, 10117 Berlin, Erhard-Schmidt-Hörsaal
Time: every Wednesday, 10.00 a.m. – 12.30 a.m.

07 November 2012 | **Michael Höhle**
(LMU München & RKI Berlin)
"Bayesing nowcasting during the large EHEC/HUS outbreak in Germany, 2011"

14 November 2012 | **Jan Vecer**
(Frankfurt School of Finance and Management)
"Reference asset invariant price processes"

21 November 2012 | **Ernesto De Vito**
(University of Genova)
"Kernel methods for support estimation"

The seminar will be held at Hausvogteiplatz 11a, please arrive in time and wait in front of the entrance.

28 November 2012 | **Christoph Breunig**
(Universität Mannheim)
"Specification testing in nonparametric instrumental quantile regression"

CURRENT EVENTS

More information can be found here:
http://sfb649.wiwi.hu-berlin.de/fedc/events_actual.php

14 November 2012 | **Jour fixe fall 2012 of the CRC 649**
Location:
Faculty of Business and Economics
Spandauer Str. 1, room 125
2:00 p.m.
For CRC-members only!

REVIEW ABOUT CRC 649 EVENTS

12 to 13 October 2012 **Hermann-Otto-Hirschfeld Lecture Series 2012**

Prof. Cai, Prof. Spokoiny and Prof. Reiß

Altogether 55 registered participants coming from 16 different institutions all over Germany came together at the Weierstrass-Institute for Applied Analysis and Stochastics to attend the lectures.
The event has been organized by Markus Bibinger and Markus Reiß (C12) and is supported by CRC 649, WIAS, C.A.S.E. and Wirtschaftswissenschaftliche Gesellschaft of the Humboldt-Universität zu Berlin. (MB)

At this year's Hermann-Otto-Hirschfeld Lecture Series on October 12th to 13th Tony Cai, Professor of Statistics at the Wharton School at the University of Pennsylvania, presented an overview on "High-dimensional Statistical Inference on the Covariance Structure" with highlights from some of his seminal contributions to this research field.
The Lecture started with the historical talk on "Statistics in Berlin - From Richard Böckh to Ladislaus von Bortkiewicz" by Annette Vogt from the Max Planck Institute for the History of Science.

Participants of the HOH Lecture

AWARDS

The paper of **Dieter Nautz (C14)** "Correlated Trades and Herd Behavior in the Stock Market" (by Jurkatis, Kremer, and Nautz) - presented at the 19th annual meeting in Hannover - has received the Outstanding Paper Award of the German Finance Association.

NEWS OF THE PROJECTS

Dirk Hofmann (A8) successfully defended his Ph.D. thesis "Three Essays in Microeconomics" on 25 October 2012.

Roland Strausz (A8) visited the University of Rome II "Tor Vergata" from 30 September to 6 October 2012.

Ulrich Horst (A11) has been appointed "professeur invité" at the university Paris Dauphine for the period 1 October to 30 November 2012. In that capacity he gave a course on "Equilibrium under translation invariant" at the Institute Henri Poincare on 5, 19 and 26 October 2012.

Nikolaus Hautsch (B8) gave a keynote talk on "The Merit of High Frequency Data in Portfolio Application" at the Conference on Time Series and Financial Econometrics that took place from 12 to 14 October 2012 at the Southwestern University of Finance and Econometrics in Chengdu, China. He also held a seminar on Financial Econometrics at this university on 11 October 2012.

Michael C. Burda (C7) participated at the International Summer School of Economics and Management (ISSEM 2012) in Havana and gave courses in "Labor Market Economics" at the Universidad de La Habana from 1 - 5 October 2012.
On 12 October 2012 he attended a discussion with Prof. Hans-Werner Sinn from the Ifo Institute Munich about "The situation of the euro in Europe". The meeting was organized by the Süddeutsche Zeitung and took place at the School of Business and Economics in Berlin.
Michael Burda gave a lecture "The Euro- and National Debt Crisis: Origins and possible future scenarios from the macroeconomic point of view" on 17 October 2012 during the lecture series about the euro crisis at the faculty.
He participated in the panel discussion "The state of economic policies in Europe" during the 16th conference of the Research Network Macroeconomics and Macroeconomic Policies (FMM) "The State of Economics after the Crisis" on 25 October 2012 in Berlin. The conference was organized by the Macroeconomic Policy Institute (IMK), Hans Böckler Stiftung, and University of Applied Sciences (HTW) Berlin.

Frank Heinemann (C10) gave a talk on the necessity of a European banking union at the Gesellschaft für Risikomanagement und Regulierung e.V in Munich on 1 October 2012. He presented his research on "Welfare Effects of Cheap Talk and Transparency: an Experimental Study" at the research seminar of the Konjunkturforschungsstelle of the ETH Zürich on 4 October 2012.

GUESTS OF THE CRC 649

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

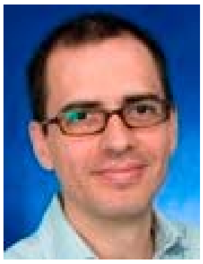
Current Guests of the CRC 649 "Economic Risk":

19.11.2012 – 19.11.2012

DeMiguel, Victor
London Business School

Project: *Practical Portfolio Optimization*

Spandauer Str. 1, room 318
phone: 2093 5895



01.11.2012 – 30.11.2012

Gonzalez Perez, Maria Teresa
Universidad Complutense de Madrid (CUNEF)

Project: *The Effect of Market Microstructure in the Statistical Properties of the VIX*

Spandauer Str. 1, room 318
phone: 2093 5895

10.10.2012 – 09.12.2012

Gaiduchevici, Gabriel
Bucharest Academy of Economic Studies

Project: *Credit Risk Mitigation Technique*

Spandauer Str. 1, room 312
phone: 2093 5748

17.10.2012 – 17.12.2012

Tomfort, André
Hochschule für Wirtschaft und Recht Berlin

Project: *Impact of Monetary Expansion on Financial Market Stability*

Spandauer Str. 1, room 318
phone: 2093 5895

23.10.2012 – 26.12.2012

Peraparp, Paiboon
Suranaree University of Technology

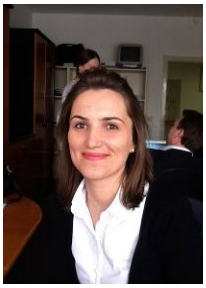
Project: *Option Pricing with Jump Processes*

Spandauer Str. 1, room 318
phone: 2093 5895

01.11.2012 – 31.01.2013	**Karaman Örsal, Deniz Dilan** Leuphana Universität Lüneburg Project: *Likelihood-Based Panel Cointegration Testing and its Applications in Macroeconomics and Financial Market Analysis* Spandauer Str. 1, room 318 phone: 2093 5895	
29.10.2012 – 29.11.2012	**Bauer, Christa** Freie Universität Berlin Project: *Implied Cost of Capital* Spandauer Str. 1, room 318 phone: 2093 5895	
26.06.2012 – 31.03.2013	**Runge, Julian** HU-WiWi-Institut für Entrepreneurship und Innovationsmanagement Project: *Opportunity and Necessity Entrepreneurship* Spandauer Str. 1, room 318 phone: 2093 5895	
23.05.2012 – 23.11.2012	**Hollander, Hilke** Carl von Ossietzky Universität Oldenburg Project: *Asset Securitization, Credit Spreads and Bank Risk* Spandauer Str. 1, room 318 phone: 2093 5895	
23.04.2012 – 15.11.2012	**Haenni, Vincent** University of St. Gallen, Switzerland Project: *Why and How to Trade Dividends?* Spandauer Str. 1, room 318 phone: 2093 5895	

22.04.2012 – 22.06.2013

Duca, Ioana Andreea
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 311
phone: 2093 1470

NEW DISCUSSION PAPERS

You find all discussion papers here:
http://sfb649.wiwi.hu-berlin.de/fedc/discussionPapers.php

2012-056 **Martijn A. Han**
"Strategic Delegation Improves Cartel Stability"

2012-057 **Martijn A. Han**
"Short-Term Managerial Contracts and Cartels"

2012-058 **Charles Angelucci, Martijn A. Han**
"Private and Public Control of Management"

2012-059 **Chris Doyle, Martijn A. Han**
"Cartelization Through Buyer Groups"

2012-060 **Mikhail Zolotko, Ostap Okhrin**
"Modelling general dependence between commodity forward curves"

2012-061 **Toshio Honda, Wolfgang Karl Härdle**
"Variable selection in Cox regression models with varying coefficients"

2012-062 **Sven Tischer, Lutz Hildebrandt**
"Brand equity – how is it affected by critical incidents and what moderates the effect"

2012-063 **Yi-Hsuan Chen, Wolfgang Karl Härdle**
"Common factors in credit defaults swaps markets"

2012-064 **Sven Tischer**
"Measuring the impact of critical incidents on brand personality"

2012-065 **Kartik Anand, James Chapman, Prasanna Gai**
"Covered bonds, core markets, and financial stability"

PUBLICATIONS

Härdle, W. and Osipenko, M. (2012)
Spatial Risk Premium on Weather Derivatives and Hedging Weather Exposure in Electricity,
The Quarterly Journal of the IAEE's Energy Economics Education Foundation, 33(2), 149-170.
DOI: 10.5547/01956574.33.2.7

Musshoff, O., Odening, M., Schade, C., Maart-Noelck, S., Sandri, S. (2012)
Inertia in disinvestment decisions: Experimental evidence.
European Review of Agricultural Economics.
DOI: 10.1093/erae/jbs032.

CRC STAFF

At this point the Collaborative Research Center 649 "Economic Risk" wants to present Morimitsu Kurino, staff member of project A6.
He obtained his Ph.D. in Economics from University of Pittsburgh in USA, M.E. and B.E. in Civil Engineering from Kyoto University in Japan. He has joined the research unit of Market Behavior at WZB this July after working at Max Planck Institute of Economics as a post-doc, and at Maastricht University as an assistant professor.

His fields of research are Microeconomics, Game Theory, and Matching Market Design. In particular, he is interested in how best to design a mechanism or a procedure for matching problems - resource allocation problems of assigning heterogeneous and indivisible objects to agents without monetary transfers - in an efficient, fair, and incentive compatible way. (MK)

QUOTE OF THE MONTH

"It's not that I'm so smart, it's just that I stay with problems longer."

Albert Einstein (1879 – 1955)

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 twelfth Newsletter 2012 is 29.11.2012.