COLLABORATIVE RESEARCH CENTER 649
"Economic Risk"

NEWSLETTER

No. 12

2 December 2013

Humboldt-Universität zu Berlin
Collaborative Research Center 649
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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 Str. 1, room 23
Time: every Monday, 2.00 – 4.00 p.m.

2 December 2013

Andreas Groll
(Ludwig-Maximilians-Universität München)
"Variable Selection for Generalized Linear Mixed Models by L1-Penalized Estimation"

9 December 2013

Matt Wand
(University of Technology Sydney)
"Variational Approximations in Statistics"
(Part I of Short course)

SCHUMPETER SEMINAR

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

3 December 2013

Gabriel Lee
(Universität Regensburg)
"Housing and Macroeconomy: The Role of Credit Channel, Risk, Demand - and Monetary Shocks"

17 December 2013

Tim Kröncke
(Universität Mannheim)
"Asset Pricing without Garbage"

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.

4 December 2013

Jia Li
(Duke University Durham)
"Inference on Volatility Functional Dependence"
(Joint with V. Todorov and G. Tauchen)

11 December 2013

Matt Wand
(University of Technology Sydney)
"Variational Approximations in Statistics"
(Part II of Short course)

18 December 2013	**Matt Wand** (University of Technology Sydney) "Variational Approximations in Statistics" (Part III of Short course)

CURRENT EVENTS

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

3 and 5 December 2013 — **Short course Lasso (Lecturer: Ya'acov Ritov)**

Location:	Humboldt Graduate School Luisenstraße 56, room 224
Time:	10:00 a.m. - 2:00 p.m. (3 Dec) 12:00 p.m. - 4:00 p.m. (5 Dec)

4 December 2013 — **Nobelprizelecture 2013**

Location:	Faculty of Business and Economics Spandauer Str. 1 Heilig-Geist-Kapelle
Time:	5:00 p.m.

In this public lecture the CRC 649 explains the ideas of Nobel Laureates Eugene Fama, Lars Peter Hansen und Robert Shiller regarding their "empirical analysis of asset prices".

9, 11 and 18 December 2013 — **Short course Variational Approximations in Statistics (Lecturer: Matt Wand)**

Part I (Economic Risk Seminar)

Location:	Spandauer Str. 1, room 23
Time:	2.00 – 4.00 p.m. (9 Dec)

Part II & III (Mathematical Statistics Seminar)

Location:	Weierstrass Institute for Applied Analysis and Stochastics, Mohrenstraße 39, 10117 Berlin, Erhard-Schmidt-Hörsaal
Time:	10.00 a.m. – 12.30 a.m. (11 and 18 Dec)

NEWS OF THE CRC

1 – 2 November 2013 **Princeton-Humboldt Conference 2013**

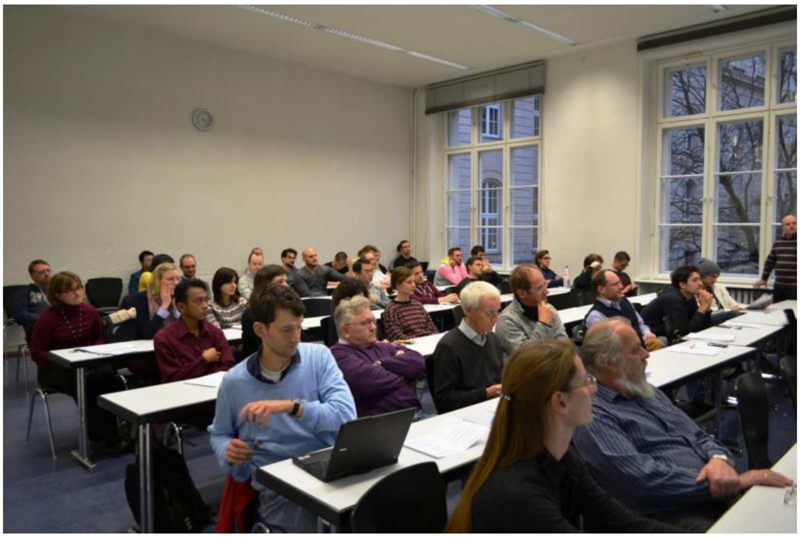
The Princeton-Humboldt conference 2013 was hosted from 1 to 2 November 2013 by the Department of Operations Research and Financial Engineering (ORFE) at Princeton. Participants from Princeton and Humboldt universities, among them distinguished professors and also a selection of young academics have presented their research. In an open and friendly atmosphere, the fruitful discussions of the research projects stimulated a considerable exchange of experience and know-how between the participants.

CRC-participants on their way to the conference

The talks have been devoted to topics in theoretical and applied statistics and finance - covering a wide range of different research areas. From the CRC 649 and Humboldt university members of the Department of Economics, the Department of Mathematics and of the Weierstrass Institute have participated.
Thanks to the successful organization by Philippe Rigollet, Birgit Rudloff, Ostap Okhrin and Thorsten Dickhaus, and local coordination by Carol Smith, the event created an excellent occasion to deepen mutual contacts and a close cooperation (MB).

20 November 2013 **Jour Fixe Fall November 2013**

The last Jour fixe of 2013 took place on 20 November. Many CRC members found the way to Spandauer Straße to listen to several interesting presentations and getting to know our newest members.
The presentations and discussions were followed by the meeting of PIs. The first Jour fixe of 2014 will be on 22 January.



Participants of the Jour Fixe

NEWS OF THE PROJECTS

Dorothea Kübler (A6) attended the Behavioral Econ Workshop in Stavanger, Norway from 10 to 12 November 2013 and gave a talk on "The Failure of Hindsight-biased Principals to Delegate Optimally".

Cebiroglu, Gökhan (A11, B8) has successfully defended his dissertation with the title "Three Essays on Hidden Liquidity in Financial Markets" on 19 November 2013. Congratulations!

Maria Grith (B1) participated in the Princeton-Humboldt Conference at Princeton University from 1 to 2 November 2013 and gave a talk on "Functional Principal Component Analysis for Derivatives of High-Dimensional Curves".

Wolfgang Härdle (B1) gave a key note talk at Rutgers University in New Brunswick during a workshop on Risk Management on the topic "CoVaR in very high dimensions" on 7 November 2013.

Andrija Mihoci (B1) presented at two seminars that have been organized at the Wroclaw University of Technology. He held a presentation about "Modeling and Forecasting Liquidity Supply using Semiparametric Factor Dynamics" at the S^3 Interdisciplinary Seminar that took place at the Institute of Organization and Management. The following day he gave a talk on "Local Adaptive Multiplicative Error Models for High-Frequency Forecasts" during the Seminar on Stochastic and Numerical Methods. This seminar took place at the Institute of Mathematics and Computer Sciences located at the Hugo Steinhaus Center.

Michael C. Burda (C7) attended the CES/LMU conference "Quo Vadis Europe" as well as the "Munich Lecture in Economics 2013" at CESifo Conference Centre in Munich from 19 to 20 November 2013.

Frank Heinemann (C10) gave a talk on "Deriving the global game selection for games with many actions and asymmetric players" at University of New South Wales on 4 November 2013 and at University of Technology Sydney on 7 November 2013. He also presented his paper on "Central Bank reputation, Transparency and Cheap Talk as Substitutes for Commitment: Experimental Evidence" at Monash University in Melbourne on 15 November 2013.

Brenda Lopez Cabrera (C11) participated in the Princeton-Humboldt Conference at at Princeton University from 1 to 2 November 2013 and gave a talk on "Pricing temperature derivatives with a 2 consistent factor model".

Markus Bibinger (C12) presented a talk on "Estimating the quadratic covariation matrix from noisy observations: local method of moments and efficiency" at the Princeton-Humboldt Conference at Princeton University on 1 November 2013.

Markus Reiß (C12) gave a talk at the conference "Recent Developments in the Statistics of High Frequency Data" in Toulouse on 13 November 2013.

Helmut Lütkepohl (C15) participated in the PhD defense of Reinhold Heinlein, University of Kent in Canterbury, as an external examiner on 11 November 2013. On 21 November 2013 he gave a lecture on "Simulation von Konfidenzintervallen für Impuls-Antwort-Folgen struktureller Vektorautoregressionen" at the occasion of a colloquium celebrating the 65th birthday of Walter Kraemer at the Technical University Dortmund.

Aleksei Netsunajev (C15) participated in the DIW Macroeconometric workshop 2013 from 29 to 30 November 2013 with a poster presentation on the basis of his paper "Identifying Monetary policy shocks via Heteroskedasticity: a Bayesian approach".

Janine Tellinger (Z) was invited to a research stay at Princeton University and Rutgers University in New Brunswick from 31 October to 8 November 2013. She conducted several interviews on the topic "Differences in research management and funding in the US and Germany".

AWARDS

Matthias Ritter (C11) has been awarded the prize "Finanzkompass 2013, Innovationspreis des Finanzplatz Hamburg e.V." (2nd place) for his dissertation „Weather Risk Management with Weather Derivatives". As one of the top 5 applicants, he presented his thesis to the jury on 29 October 2013. The final ranking of the top 3 was announced at the ceremony in Handelskammer Hamburg on 25 November 2013.

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":

01.06.2013 – 01.12.2013

Bierey, Martin
ESCP Europe

Project: *Accounting Dissertation*

Spandauer Str. 1, room 318
phone: 2093 5895

07.01.2013 – 31.12.2013 **Biermann, Steffen**
Universität Duisburg-Essen

Project: *The accuracy of corporate risk valuation with a capital market theory valid model*

Spandauer Str. 1, room: 318
phone: 2093 5895

18.03.2013 – 28.02.2014 **Dia, Xianhua**
Wuhan Institute of Technology

Project: *Nonparametric Techniques in Economics*

Spandauer Str. 1, room 318
phone: 2093 5748

01.11.2013 – 31.12.2013 **Miroshnychenko, Ivan**
Wissenschaftszentrum Berlin
Für Sozialforschung

Project: *The complementarity between corporate governance and corporate sustainability*

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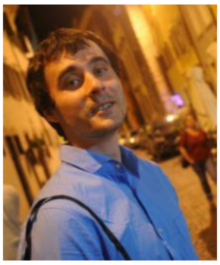
phone: 2093 5895



01.08.2013 – 31.12.2013 **Panov, Maxim**
Moscow Institute of Physics and Technology

Project: *Robust Filter for Hidden Makov Models*

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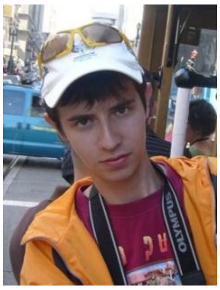
phone: 2093 5895



16.07.2013 – 30.11.2013 **Schultz, Mario**
Europa-Universität-Viadrina

Project: *Implizite Kapitalkosten*

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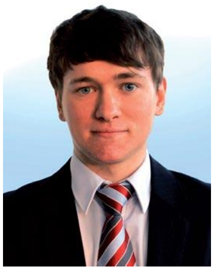

15.07.2013 – 23.12.2013 **Trueck, Stefan**
Macquarie University

Project: *How Is Convenience Yield Risk Priced?*

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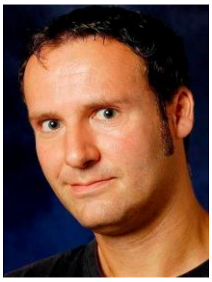
phone: 2093 5895



19.09.2013 – 19.12.2013 **Walther, Ursula**
HWR Hochschule für Wirtschaft und Recht

Project: *Timing Success Explained - The Fallacy of Beating Even Efficient Markets*

Spandauer Str. 1, room 318
phone: 2093 5895

16.09.2013 – 16.12.2013 **Weil, Richard**
HWR Hochschule für Wirtschaft und Recht

Project: *The Return Performance to Merger Arbitrage in Germany*

Spandauer Str. 1, room 318
phone: 2093 5895

PUBLICATIONS

Ritter, M., Mußhoff, O., Odening, M. (2013)
"Minimizing geographical basis risk of weather derivatives using a multi-site rainfall model", *Computational Economics*.
DOI: 10.1007/s10614-013-9410-y

Hong, L. and Meyer-Gohde, A. (2013)
"Solving DSGE Models with a Nonlinear Moving Average", *Journal of Economic Dynamics and Control*, 37(12): 2643–2667.
DOI: 10.1016/j.jedc.2013.06.014

Adam, T. and Nain, A. (2013)
"Strategic Risk Management and Product Market Competition in Advances in Risk Management", *Advances in Risk Management.*
DOI: 10.1057/9781137025098.0007

Adam, T., Fernando, C. and Golubeva, E. (2013)
"Do Managers Exhibit Loss Aversion in their Risk Management Practices? Evidence from the Gold Mining Industry", *Advances in Risk Management.*
DOI: 10.1057/9781137025098.0011

Schulz, R., Wersing, M. and Werwatz, A. (2013)
"Automated valuation modelling: a specification exercise", *Journal of Property Research.*
DOI: 10.1080/09599916.2013.846930

QUOTE OF THE MONTH

"It amazes me how people are often more willing to act based on little or no data than to use data that is a challenge to assemble."

Robert J. Shiller (*1946)

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 first Newsletter 2014 is 28.12.2013.