



# **NEWSLETTER**

**No. 2**

**3 February 2014**

**Humboldt-Universität zu Berlin  
Collaborative Research Center 649  
Spandauer Straße 1  
10178 Berlin – Germany**

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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.

- 03 February 2014 **Hans Manner**  
(Universität Köln)  
"Modeling Multivariate Extreme Events Using Self-Exciting Point Processes"
- 10 February 2014 Student Presentations

**SCHUMPETER SEMINAR**

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

- 04 February 2014 **Árpád Ábrahám,**  
(EUI Florence)  
"The Effects of Moral Hazard on Wage Inequality in a Frictional Labor Market"

**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 – 12.30 a.m.

- 05 February 2014 **Session cancelled due to Haindorf Seminar**
- 12 February 2014 **Bo Markussen**  
(University of Copenhagen)  
"Functional data, operator calculus, and statistical computation"

**CURRENT EVENTS**

More information can be found here:

[http://sfb649.wiwi.hu-berlin.de/fedc/events\\_actual.php](http://sfb649.wiwi.hu-berlin.de/fedc/events_actual.php)

- 06 to 09 February 2014 **Haindorf Seminar 2014**  
Location: International Center for Spiritual Rehabilitation  
Hejnice, Czech Republic  
Time: full-time

**NEWS OF THE CRC**

09 to 12 January 2014

**Econ Boot Camp 2014**

Econ Boot Camp participants during the short lectures

In January the CRC 649 "Economic Risk" hosted the 7<sup>th</sup> 3-day Workshop "Econ Boot Camp". This Workshop was organized by Prof. Spitz-Oener, Hanna Wieland, Heidi Stegemann and Torsten van den Berg. It is designed especially for high-school students from all parts of Germany who are interested in the field of economics and statistics. In addition, the workshop is a good opportunity for the high-school students to learn more about Humboldt-University and student life in Berlin.

Out of 160 applications we invited 30 students from nearly every federal state of Germany. After their arrival on Thursday evening, the official program started on Friday morning with a welcome by Prof. Dr. Spitz-Oener and Prof. Burda. Afterwards the participants attended short lectures on "Labour Economics" by Prof. Spitz-Oener, "Real Estate Economics" by Prof. Werwatz, as well as a lecture on Experimental Economics by Prof. Dr. Kübler and on Bank Run by Matthias Bombach. Later that day the students participated in a Bertrand experiment and a bank run simulation. This year the participants were separated into four groups in which they conducted a 'paper-chase' consisting of four tasks related to the lectures and experiments from the day before.



Prof. Dr. Spitz-Oener and participants at the Economics Faculty of Humboldt-Universität zu Berlin

In solving the tasks every group was supported by PhD Students and members of the CRC 649. In the end every group prepared a presentation on one of the four tasks which they presented to the rest of the group as well as to the Professors and research assistants.

The end of the Econ Boot Camp was highlighted by a visit to the Reichstag. A guided tour to the Plenarsaal was arranged, where the students learnt more about the history of the Reichstag and the organization of the Bundestag. Thus on top of the Reichstag's dome the Econ Boot Camp came to an end with the lovely view over Berlin's skyline. All together the participants were very satisfied with the program and the lectures' topics. They enjoyed the nice atmosphere given by the CRC 649 members and the opportunity to ask questions about living in Berlin and studying at Humboldt-University. With the help of the student's council, the participants had the opportunity to learn more about the student life in Berlin and possibilities of studying at Humboldt University. As a result, the students could benefit from the Econ Boot Camp by learning about the topics of economics and university in general.

20 to 21 January 2014

### C.A.S.E. – Distinguished Lecture Series 2014

On 20 and 21 January 2014 the CASE lecture series "A course in causal inference" with Guido Imbens, PhD, from Stanford University successfully took place at the auditorium in the Grimm-Zentrum. It was organized by Silke Hüttel (HU), Alexandra Spitz-Oener (HU), Axel Werwatz (TU) and Wolfgang Härdle (HU). Professor Imbens gave 4 lectures about Randomized Experiments, Matching, Local Average Treatment Effects and Regression Discontinuity Designs. Overall, 160 participants from all universities and research institutions of Berlin and Potsdam as well as from other parts of Germany like Frankfurt, Hamburg, Hanover, Halle, Nurnberg and Bonn but also from other EU countries such as Poland were registered.



Prof. Imbens



Audience listening to Prof. Dr. Härdle



Prof. Dr. Spitz-Oener

22 January 2014

**Jour Fixe Winter 2014**

On 22 January 2014 the CRC 649 members met for the Jour fixe winter 2014. Despite the cold and snowy weather many CRC members found their way to Spandauer Straße to listen to several interesting presentations.

In the beginning news about CRC 649 and RDC were presented. For instance Jonas Haase (RDC member) suggested using the Datastream service more efficiently by queuing between 10.00 AM and 5.00 PM on Monday to Friday

(no timeslot reservation for not too long requests) and scheduling at other times. Furthermore, he introduced two new databases: EUREX 1017 (Xetra® Top Level Order Book, 01/2008 – 06/2013, Zipped.csv files, available on request @RDC),



During the coffee break

In the further course of the event several presentations were held by CRC-

members and others in parallel sessions: Prof. Dr. Alex Stomper (A15) "Employees under the Weather", Wei Cui, Ph.D (guest from University College London) "Estimating the NAIRU Using the Kalman Filter", Dipl.-Phys. Dipl.-Math. Gökhan Cebiroglu (A11, B8 and now University of Vienna) "A Solution to the Empirical Pricing Kernel Puzzle - The Role of Asset Managers and Delegated Trading Decisions", Felix Weinhardt, Ph.D (A9) "The Internet, Falling Information and Communication Costs, and Educational Attainment", Dipl.-Ing. Jens Kolbe (B3) "Estimating Land Prices via Adaptive Weights Smoothing" and Dipl.-Volks. Daniel Neuhoff (C7) "Bayesian Estimation of Lag Order in Autoregressive Time Series".

The presentations and discussions were followed by a meeting of the Heads of Projects which marked the end of the Jour Fixe.



Prof. Dr. Alex Stomper presenting at the Jour Fixe

and LOBSTER (Complete NASDAQ Limit Order Book up to 200 levels, 27.04.2010 – yesterday (more is coming soon), available at lobster.wiwi.hu-berlin.de).

The RDC team encourages all CRC 649 members not to store discussion papers and publications separately but to set references to the main [sfb649.wiwi.hu-berlin.de](http://sfb649.wiwi.hu-berlin.de) homepage. This allows a better overview of the CRC 649 research progress and more

precise and reliable statistics.



Dipl.-Volks. Daniel Neuhoff presenting at the Jour Fixe

## NEWS OF THE PROJECTS

**Dorothea Kübler (A6)** attended the Meeting of the Extended Academic Advisory Council of Max Planck Institute for Research on Collective Goods, held in Bonn, from 08 to 09 January 2014. She gave a three-day lecture at the Winter Institute of New York University Abu Dhabi in Abu Dhabi between 13 and 15 January. She participated as a panelist in the CPDP 2014 Conference in Brussels, from 22 to 24 January, and gave a talk on "The privacy paradox and online shopping: externalities of privacy choices". She also attended a Meeting of the Extended Board of Directors of the Verein für Socialpolitik in Frankfurt/Main on 30 January 2014.

**Gökhan Cebiroglu (A11, B8)** has taken on a job at the Institute of Statistics and Operations Research at the University of Vienna. The CRC-team wishes him all the best and much success for his future career!

**Alexander Ristig (B10)** presented the joint work with Nikolaus Hautsch (B8) and Ostap Okhrin (B10) on "Efficient Iterative Maximum Likelihood Estimation of High-Parameterized Time Series Models" at the International Workshop on High-Dimensional Dependence and Copulas: Theory, Modelling and Applications held in Beijing, China, from 03 to 05 January 2014. Additionally, he visited the Research Institute of Economics and Management of the Southwestern University of Finance and Economics in Chengdu, China, from 06 to 11 January 2014, where he also gave the talk on "Efficient Iterative Maximum Likelihood Estimation of High-Parameterized Time Series Models". Alexander arrived at the Centre for Financial Risk of the Macquarie University in Sydney, Australia, on 13 January, where he works on a joint research project until June 2014.

**Michael C. Burda (C7)** attended at the annual meeting of the American Economic Association from 03 to 05 January 2014 in Philadelphia as session chair and discussant at the session "The Effects of Large Shocks and Institutional Change on Employment: Evidence from the United States, China and Russia". On 24 January 2014 he participated in the workshop "The European Crisis: Can we Agree on the Analysis? " at the International Center for Monetary and Banking Studies in Geneva and gave an introduction to the session "The ECB and its Mandate".

**Frank Heinemann (C10)** gave a talk at the Queensland University of Technology on 31 January 2014. The Topic is an introduction in experimental macroeconomics and a presentation of his paper on "Central Bank Reputation, Transparency and Cheap Talk as Substitutes for Commitment: Experimental Evidence".

## GUESTS OF THE CRC 649

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

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

18.03.2013 – 28.02.2014	<p><b>Dia, Xianhua</b>                  Wuhan Institute of Technology</p> <p>Project: <i>Nonparametric Techniques in Economics</i></p> <p>Spandauer Str. 1, room 318                  phone: 2093 5748</p>	
16.09.2013 – 28.02.2014	<p><b>Weil, Richard</b>                  HWR Hochschule für Wirtschaft und Recht</p> <p>Project: <i>The Return Performance to Merger Arbitrage in Germany</i></p> <p>Spandauer Str. 1, room 318                  phone: 2093 5895</p>	

## NEW DISCUSSION PAPERS

- 2014-001**      **Ngoc Mai Tran, Maria Osipenko, Wolfgang Karl Härdle**  
 "Principal Component Analysis in an Asymmetric Norm"
- 2014-002**      **Lijie Gu, Li Wang, Wolfgang Karl Härdle, Lijian Yang**  
 "A Simultaneous Confidence Corridor for Varying Coefficient Regression with Sparse Functional Data"
- 2014-003**      **Qihua Wang, Tao Zhang, Wolfgang Karl Härdle**  
 "An Extended Single Index Model with Missing Response at Random"
- 2014-004**      **Helmut Lütkepohl**  
 "Structural Vector Autoregressive Analysis in a Data Rich Environment: A Survey"
- 2014-005**      **Randolf Altmeyer, Markus Bibinger**  
 "Functional stable limit theorems for efficient spectral covolatility estimators"

- 2014-006**      **Andreas Groll, Brenda López-Cabrera, Thilo Meyer-Brandis**  
"A consistent two-factor model for pricing temperature derivatives"
- 2014-007**      **Helmut Lütkepohl, Anna Staszewska-Bystrova, Peter Winker**  
"Confidence Bands for Impulse Responses: Bonferroni versus Wald"
- 2014-008**      **Shuzhuan Zheng, Rong Liu, Lijian Yang, Wolfgang Karl Härdle**  
"Simultaneous Confidence Corridors and Variable Selection for Generalized Additive Models"
- 2014-009**      **Helmut Lütkepohl, Anton Velinov**  
"Structural Vector Autoregressions: Checking Identifying Long-run Restrictions via Heteroskedasticity"
- 2014-010**      **Nikolaus Hautsch, Ostap Okhrin, Alexander Ristig**  
"Efficient Iterative Maximum Likelihood Estimation of High-Parameterized Time Series Models"
- 2014-011**      **Philipp Engler, Giovanni Ganelli, Juha Tervala, Simon Voigts**  
"Fiscal Devaluation in a Monetary Union"
- 2014-012**      **Jürgen Franke, Peter Mwita, Weining Wang**  
"Nonparametric Estimates for Conditional Quantiles of Time Series"
- 2014-013**      **Charlotte Senfleben-König**  
"Product Market Deregulation and Employment Outcomes: Evidence from the German Retail Sector"
- 2014-014**      **Fabrizio Durante, Ostap Okhrin**  
"Estimation procedures for exchangeable Marshall copulas with hydrological application"

## PUBLICATIONS

- Ensthaler, L., Giebe, T. and Li, J. (2013)**  
"Speculative Partnership Dissolution with Auctions", *Review of Economic Design*.  
DOI: 10.1007/s10058-013-0154-x
- Honda, T. and Härdle, W. K. (2013)**  
"Variable Selection in Cox Regression with Varying Coefficients", *Journal of Statistical Planning and Inference*.  
DOI: 10.1016/j.jspi.2013.12.002



**Ahrens, S. and Snower, D. J. (2014)**

"Envy, Guilt, and the Phillips Curve", *Journal of Economic Behavior & Organization*, Volume 99, March 2014, 69–84.

DOI: <http://dx.doi.org/doi:10.1016/j.jebo.2013.12.015>

**Chen, R. B., Chen, Y. and Härdle, W. K. (2014)**

"TVICA - Time varying independent component analysis and its application to financial data", *Computational Statistics & Data Analysis*.

DOI: 10.1016/j.csda.2014.01.002

**Zheng, Sh., Yang, L. and Härdle, W. K. (2014)**

"A Smooth Simultaneous Confidence Corridor for the Mean of Sparse Functional Data", *Journal of the American Statistical Association*.

DOI: 10.1080/01621459.2013.866899

**Lütkepohl, H. (2013)**

"Identifying Structural Vector Autoregressions Via Changes in Volatility", *Advances in Econometrics*, Volume 32, 169–203.

DOI: 10.1108/S0731-9053(2013)0000031005

**Fan, Y., Härdle, W. K., Wang, W. and Zhu, L. (2014)**

"Composite Quantile Regression for the Single Index Model", *Oberwolfach Reports*, 48/2013, 27–30.

DOI: 10.4171/OWR/2013/48

## CRC STAFF

At this point the Collaborative Research Center 649 "Economic Risk" wants to present Felix Jung as a new staff member of project B1 "Dynamic Semi-parametric Modeling" as well as Felix Weinhardt as a new staff member of project A9 "The Local Incidence of Shocks – the Role of Real Estate".



Felix joined the SFB in November, 2013, as a guest researcher and has now become a regular staff member. In his research with Wolfgang Härdle, he will mainly focus on derivative financial products and related issues such as the effects of speculation in agricultural commodities through derivatives on food prices.

Felix' graduation in Business Engineering (Diplom) from the Karlsruhe Institute of Technology (KIT) is pending. He has obtained a master's degree in International Business (Finance) from Maastricht University and has spent eight months interning in equity derivatives structuring in London.

In his spare time Felix enjoys working out at the gym, cycling, photography, and contemplating with all things related to technology. (FJ)

Felix Weinhardt joined the SFB on 01 January 2014 as postdoc in Applied Microeconomics at the HU Berlin/DIW. He is also affiliates with IZA, Bonn, and the Centre for Economic Performance at the London School of Economics. He obtained his PhD at the LSE in 2012 and visited the Goldman School of Public Policy at the University of California Berkeley in 2011. Felix' research interests are in the fields of Applied Microeconometrics, and more specifically in Economics of Education and Urban and Labor Economics. He is generally interested in manifestations and causes of social and spatial inequalities. Two of his PhD chapters have been published by the Journal of Labor Economics and the Economic Journal. Felix is currently working on a number of projects including the following: neighborhood quality and student performance, externalities of neighborhood mobility, non-cognitive skills and task-specific productivity, ICT and human capital, determinants of prime locations in cities. For an up-do-date list please visit his webpage [www.fweinhardt.de](http://www.fweinhardt.de) . (FW)



## QUOTE OF THE MONTH

"Impossible is a word to be found only in the dictionary of fools."

Napoleon Bonaparte (1769 – 1821)

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 third Newsletter 2014 is 26.02.2014.**