



NEWSLETTER

No. 3
3 March 2014

**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

03 to 07 March 2014

Workshop DSGE Modeling & International Macroeconomics

Location: Faculty of Business and Economics, Spandauer Str. 1 room 22

Time:

Monday lectures 9.30 a.m. – 1 p.m. and 2.30 – 4.00 p.m.

Tuesday to Thursday lectures

10.00 a.m. – 1.00 p.m. and 2.30 p.m. – 4.00 p.m.

Friday workshop 9.00 a.m. – 2.00 p.m.

More information can be found here:

<http://berlin-macro-network.de/index.php/events>

NEWS OF THE CRC

06 to 09 February 2014

Haindorf Seminar 2014

Nested on the foot of the Iser mountains picturesque Hejnice (Haindorf) Czech Republic triggers post image pictures of a place detached from the rest of the world. Who would expect top notch research taking place here where the time seems to stand still? But this is exactly what happened from the 6th until the 9th of February 2014 when the 13th yearly Haindorf Seminar hosted by the CRC 649 took place. 24 statisticians from the economics and mathematics department of the HU and of the Weierstraß Institute of Analysis and Stochastic and 5 external researchers gathered in a former convent to share their recent findings. Among these 4 young PhD students were affiliated to the new International Research Training Group (IRTG 1792) that was launched October 2013.



The small town of Hejnice (Haindorf) located in the Liberec Region of Czech Republic

The starting point of the scientific program was marked by a short course by Prof. Rong Chen from the Rutgers University New Jersey on "State-Space Models, Sequential Monte Carlo and their Applications". In the following days we heard interesting and diverse talks by experience researches but also by students who just started their scientific career.

The topics ranged from highly topical practical questions in economic applications mainly focused on financial markets to deep mathematical analyses of asymptotic properties of experiments. To name some examples there were talks on future PhD projects such as how to



Participants during the seminars

forecast electricity demand, estimating systemic risk based on the stock price and optimality in volatility estimation. The seniors presented terminated research projects amongst others addressing asymptotic efficiency in functional linear regression, spatial modeling of Aberdeen house prices and how to preserve positivity in solutions of discretised stochastic differential equations. Bringing together researches from different areas allowed very fruitful and interesting discussions after the talks and between the sessions.

Besides the insightful sessions there was enough time for social activity. Participants used the offers of the region such as skiing, hiking and joyful gatherings in the evenings to get to know each other and create a very collegial and friendly atmosphere. The former convent provided not only adequate rooms for the sessions, the guests and evening activities but also decent Czech food and guided



Dinner time for Haindorf-participants

tours to the associated church and its crypts.

We keep this prolonged weekend in good memory and look forward to come back to this beautiful place next year again. We thank the great organizers Shih-Kang Chao and Franziska Schulz. (AA, SH)

NEWS OF THE PROJECTS

Jana Friedrichsen (A6) is visiting the Department of Economics at Aalto University School of Business in Helsinki from 20 January to 12 April 2014. She gave a talk on "Bidding for network size: quality competition with network effects", joint work with Renaud Foucart, in the HECER Applied Microeconomics Seminar on 26 February 2014.

Dorothea Kübler (A6) attended a meeting as a member of the DFG Fachkollegium 112 (Economics) in Bonn, on 14 February. She also participated in a meeting of the Scientific Advisory Board of the Potsdam Institute for Climate Impact Research, held in Potsdam, from 25 to 26 February 2014.

Alexandra Spitz-Oener (A9) has published her study "From the 'Sick Man of Europe' to the 'Economic Superstar': Germany's Resurgent Economy" in the Journal of Economic Perspectives (Vol. 28(1), 2014; written jointly with Christian Dustmann, Bernd Fitzenberger and Uta Schönberg); this study was also covered by Spiegel Online (<http://www.spiegel.de/wirtschaft/soziales/hartz-reformen-in-deutschland-studie-entzaubert-den-mythos-a-950620.html>) and received more than 300,000 views right after its appearance. The manuscript was downloaded more than 10,000 times within two days after publication. Congratulations on this achievement!

Wolfgang Karl Härdle (B1) has given a presentation on "Adaptive Order Flow Forecasting with MEMs" (joint research with A Mihoci and Ch. Ting) on 21 February 2014 at Singapore Management University, Lee Kong Chian School of Business.

Steffen Ahrens (C10) has successfully defended his dissertation with the title "Preferences, Nominal Rigidities, and Monetary Policy" on 06 February 2014. Congratulations!

Frank Heinemann (C10) participated in the Australasian Theory Workshop in Canberra from 06 to 07 February, where he presented his paper "Deriving the global game selection for games with many actions and asymmetric players". On 13 February, he presented his paper "Guarantees, transparency and the interdependency between sovereign and bank default risk" in the research seminar of the Centre for Applied Macroeconomic Analysis at Australian National University, Canberra.

Markus Bibinger (C12) presented a talk on "Efficient estimation of the quadratic covariation from discrete observations" at the "Séminaire Finance mathématique, probabilités numériques et statistique des processus" of the LPMA at Paris 7 (Diderot) on 06 February 2014 during his research stay at Paris 6 (UPMC). Markus Bibinger has been invited to present his joint work with Lars Winkelmann (C14) on "Common price and volatility jumps in noisy high-frequency data" at the workshop "statistical inference for continuous-time stochastic processes" of the SFB 823 at Dortmund on 25 February 2014.

Janine Tellingner (Z) is on maternity leave until July 2015. All the best!

NEW DISCUSSION PAPERS

- 2014-015** **Wolfgang Karl Härdle, Annette B. Vogt**
Ladislaus von Bortkiewicz - statistician, economist, and a European intellectual
- 2014-016** **Stephan Stahlschmidt, Wolfgang Karl Härdle, Helmut Thome**
An Application of Principal Component Analysis on Multivariate Time-Stationary Spatio-Temporal Data
- 2014-017** **Julien Albertini, Arthur Poirier, Jordan Roulleau-Pasdeloup**
The composition of government spending and the multiplier at the Zero Lower Bound
- 2014-018** **Susanne Prantl, Alexandra Spitz-Oener**
Interacting Product and Labor Market Regulation and the Impact of Immigration on Native Wages
- 2014-019** **Julien Albertini, Arthur Poirier**
Interacting Product and Labor Market Regulation and the Impact of Immigration on Native Wages
- 2014-020** **Xiaofeng Cao, Ostap Okhrin, Martin Odening, Matthias Ritter**
Modelling spatiotemporal variability of temperature
- 2014-021** **Xianhua Dai, Wolfgang Karl Härdle, Keming Yu**
Do Maternal Health Problems Influence Child's Worrying Status? Evidence from British Cohort Study
- 2014-022** **Markus Reiß, Viktor Todorov, George Tauchen**
Nonparametric Test for a Constant Beta over a Fixed Time Interval

PUBLICATIONS

- Härdle, W. K., Hautsch, N. and Mihoci, A. (2014)**
"Local Adaptive Multiplicative Error Models for High-Frequency Forecasts", *Journal of Applied Econometrics*.
DOI: 10.1002/jae.2376
- Ahrens, S. and Sacht, S. (2014)**
"Estimating a High-Frequency New-Keynesian Phillips Curve", *Empirical Economics*, 46 (2), 607-628.
DOI: 10.1007/s00181-013-0684-7

van Bömmel, A., Song, S., Majer, P., Mohr, P., Heekeren, H. and Härdle, W. K. (2013)

"Risk Patterns and correlated brain activities. Multidimensional Statistical Analysis of fMRI Data in Economics Decision making Study", *Psychometrika*, Vol 78.

DOI: 10.1007/s11336-013-9352-2

Giebe, T. (2014)

"Innovation Contests with Entry Auction", *Journal of Mathematical Economics*.

DOI: 10.1016/j.jmateco.2014.02.004

Härdle, W. K., Okhrin, Y. and Wang, W. (2014)

"Uniform confidence bands for pricing kernels", *Journal of Financial Econometrics*.

DOI: 10.1093/jjfinec/nbu002

Kurino, M. (2014)

"House Allocation with Overlapping Generations", *American Economic Journal: Microeconomics*, 6(1): 258-89.

DOI: 10.1257/mic.6.1.258

Hashimoto, T., Hirata, D., Kesten, O., Kurino, M. and Ünver, M. U. (2014)

"Two Axiomatic Approaches to the Probabilistic Serial Mechanism", *Theoretical Economics*, 9(1): 253-277.

DOI: 10.3982/TE1010

QUOTE OF THE MONTH

"Imperfection is beauty, madness is genius and it's better to be absolutely ridiculous than absolutely boring."

Marilyn Monroe (1926 – 1962)

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 fourth Newsletter 2014 is 28.03.2014.**