NEWSLETTER

CRC 649

Collaborative Research Center 649 „Economic Risk“

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NL 007, JULY

Editorial:

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"There is no rain above the clouds"

REGULAR RESEARCH SEMINARS

Economic risk seminar

Location: Spandauer Str. 1, room 23
Time: every Monday, 2.00 – 4.00 p.m.
Schedule: Website

Schumpeter Seminar

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

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 – 12.00 a.m.
Schedule: Website

An overview is available at:

sfb649.wiwi.hu-berlin.de/fedc/seminars.php

CURRENT EVENTS

More information can be found here:

sfb649.wiwi.hu-berlin.de/fedc/events_actual.php

16.-18. July 2015 — ***CRC 649 "Economic Risk" Conference in Motzen***
CRC 649
Please consult the website of the event for further informations.

28.-30. July 2015 — ***Berlin-Stettin Workshop 2015***
CRC 649, RTG
Please consult the website of the event for further informations.

17.-18. August 2015 ***Recent Advances in Mutual Fund and Hedge Fund Research Conference***

CRC 649

Please consult the website of the event for further informations.

NEWS OF THE CRC

1. July 2015 ***Updated list of the CRC's staff, alumni etc.***

The CRC's staff, alumni etc. pages were updated. In order to be able to update the pages on a constant base, we are relying on your feedback.

NEWS OF THE PROJECTS

Wolfgang K. Härdle (B1) gave a talk on "Portfolio Decisions and Brain Reactions via the CEAD Method" at the big data conference in Cambridge, which was held on the 11th to the 12th of June. He visited the Fudan University in Shanghai on the 16th to the 22nd of June to give a lecture series on "Statistics of Financial Markets". On the 26th to the 28th of June he gave lecture on "FASTEC - FActorizable Sparse Tail Event Curves" at the Soochow University in Suzhou, as well as giving a lecture on "DYFIN: DYnamic Forward INtensity curves" at the National University of Singapore on the 29th of June to the 2nd of July.

Michael C. Burda (C7) and **Grzegorz Długoszek (C7)** have organized an excursion for their students of the lecture „European Integration" in the summer term of 2015. On the 9th of June they visited the DB Schenker Logistics in Szczecin and the European German-Polish Grammar School in Löcknitz. On the 11th of June Michael C. Burda participated on the Fifth Hamburg Conference „The public budgeting and accounting between European and sustained sovereign debt crisis" and gave a talk „The public debt crisis: Findings and solutions". Michael Burda took part as a panelist on the „Interim Workshop of the Korean-German Research Network on Unification Studies" held on the 25th of June at the Federal Ministry of Finance in Berlin.

Falk Mazelis (C7) participated in the Annual Conference of the Society for Computational Economics in Taipei, Taiwan, where he presented his paper "The Role of Shadow Banking in the Monetary Transmission Channel".

Frank Heinemann (C10) participated in the organization of the Workshop "Theoretical and Experimental Macroeconomics" during the Barcelona Summer Forum, from the 11th to the 12th of June, and in the 8th Barcelona LeeX Experimental Economics Summer School in Macroeconomics, from the 8th to 14th of June.

Philipp Pfeiffer (C10) presented his paper "Long-Run Risk, Labor Market Dynamics and Asset Prices" at the 21st Annual Conference on Computing in Economics and Finance (CEF 2015), which was held from the 20th to the 22nd of June in Taipei, Taiwan. From the 31st of May till the 2nd of June, he visited the Finance Center Muenster for a joint research project.

Ciril Bosch-Rosa (C10) presented the paper “Cognitive Bubbles” at the London Experimental Workshop from the 1st to the 3rd of June. He presented this work also at the Society for Experimental Finance from the 17th to the 19th of June.

Zhiwei Shen (C11) gave a talk on “Forecasting volatility of wind power production” at the 4th International Agricultural Risk, Finance and Insurance Conference in Washington D.C, which was held on the 7th to the 9th of June.

Lars Winkelmann (C14) gave a seminar on “Common Price and Volatility Jumps in Noisy High-frequency Data"” at the IÉSEG Lille on the 11th of June and presented a poster on the same topic at the 8th Annual SoFiE Conference at Aarhus University from the 24th to the 26th of June.

Till Strohsal (C14) presented his paper “Characterizing the Financial Cycle: Evidence from a Frequency Domain Analysis”, co-authored with Christian Proaño and Jürgen Wolters, on the 22nd of June at the 35th International Symposium on Forecasting in Riverside, California.

Helmut Luetkepohl (C15) has given a seminar entitled “Testing for Identification in SVAR-GARCH Models: Reconsidering the Impact of Monetary Shocks on Exchange Rates” at the University of Nuernberg on the 3rd of June and gave a seminar at the University of Vienna entitled “Structural Vector Autoregressions with Smooth Transition in Variances: The Interaction Between U.S. Montary Policy and the Stock Market” on the 15th of June. On the 13th of June he gave an invited lecture on “Structural Vector Autoregressions with Heteroskedasticity: A Comparison of Different Volatility Models” at the 4th Gretl Conference in Berlin.

GUESTS OF THE CRC 649

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

01.06.2015 - 31.12.2015

Chen, Ying

National University of Singapore (SG)

Project: Financial statistics and risk management; non-stationary time series analysis; high frequency data analysis; functional data analysis

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01.07.2015 - 22.07.2015

Wellmann, Dennis
Macauarie University (AU)

Project: Factors of the Term Structure of Sovereign Yield Spreads

E-Mail: dennis.wellmann@gmail.com

01.07.2015 - 31.08.2015

Ko, Jong-Hwan
Pukyong National University (ROK)

Project: A Dynamic Stochastic General Equilibrium Model with Multi-Countries and Multi-Sectors

Contact:
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10178 Berlin
Room: 318
Phone: 030-2093-5895

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18.07.2015 - 22.08.2015

Fan, Cuihong
Shanghai University of Finance and Economics (CN)

Project: Horizontal mergers, Horizontal mergers, microeconomics, industrial organization and auctions

Multi-Countries and Multi-Sectors

Contact:
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10178 Berlin
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NEW DISCUSSION PAPERS

More detailed information is available here.

2015-030 "Testing for Identification in SVAR-GARCH Models" by Helmut Luetkepohl and George Milunovich, June 2015.

2015-031 "Simultaneous likelihood-based bootstrap confidence sets for a large number of models" by Mayya Zhilova, June 2015.

2015-032 "Government Bond Liquidity and Sovereign-Bank Interlinkages" by Sören Radde, Cristina Checherita-Westphal and Wei Cui, July 2015.

2015-033 "Not Working at Work: Loafing, Unemployment and Labor Productivity" by Michael C. Burda, Katie Genadek and Daniel S. Hamermesh, July 2015.

PUBLICATIONS

Adam, T., Fernando, S. and Salas, J.
Why do firms engage in selective hedging? Evidence from the gold mining industry
Journal of Banking and Finance
DOI: 10.1016/j.jbankfin.2015.05.006

Shen, Z., Odening, M. and Okhrin, O.
Can expert knowledge compensate for data scarcity in crop insurance pricing?
European Review of Agricultural Economics
DOI: 10.1093/erae/jbv015

Danis, A., Rettl, D. and Whited, T.
Solving and estimating linearized DSGE models with VARMA shock processes and filtered data
Economics Letters
DOI: 10.1016/j.econlet.2015.05.024

Meissner, T.
Intertemporal consumption and debt aversion: an experimental study
Experimental Economics
DOI: 10.1007/s10683-015-9437-0

Chao, S.K., Proksch, K., Dette, H. and Härdle, W.
Confidence Corridors for Multivariate Generalized Quantile Regression
Journal of Business and Economic Statistics
DOI: 10.1080/07350015.2015.1054493

Fehr, D., Hakimov, R. and Kübler, D.
The willingness to pay–willingness to accept gap: A failed replication of Plott and Zeiler
European Economic Review
DOI: 10.1016/j.euroecorev.2015.05.006

Krähmer, D. and Strausz, R.
Ex post information rents in sequential screening
Games and Economic Behavior
DOI: 10.1016/j.geb.2015.03.003

Quantlets

34 new Quantlets were uploaded in the June of 2015. More detailed information is available here.

Project: CRIX – Cryptocurrency IndeX

(http://crix.hu-berlin.de)

The CRyptocurrency IndeX is a benchmark for the crypto market. It is dedicated to give everyone, who is interested, insight about the current and past movement of this young market. The CRIX is computed Germany for the 9 months period till the 15 of Apri by the Ladislaus von Bortkiewicz chair of statistics of the Humboldt university in Berlin. In the nearest future the real-time CRIX calculation will be implemented. The development was a joint work together with the SKBI of the Singapore Management University and with CoinGecko, who still provide the data for the computation. Currently, the CRIX consists of 30 index members. This number was found with statistical methods, see for more details the Methodology.

Cryptocurrencies share high volatility what shows e.g. the development of the Bitcoin price. High daily price jumps are not an exception, which is by construction also true for a market Index for cryptos. Such a Index was constructed and compared against other investments to show how risky this new market is.

More details of results and methodology are described at the talk "CRIX - The CRypto IndeX"

The corresponding quantlets with R code can be found in the Quantnet here.
The quantlet CRIXoutmarket lot with S&P500, DAX, STI, RTSI, ATHEX and the CRIX.

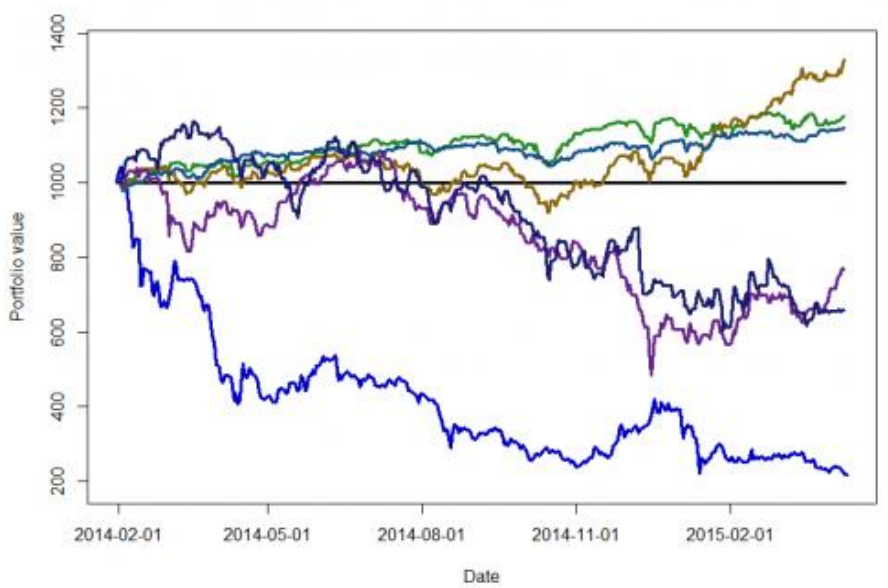

Figure1. CRIX (in blue), S&P500 (in green), DAX(in gold), STI (in light blue), ATHEX (in dark blue), RTSI (in purple)

QUOTE OF THE MONTH

"Realists do not fear the results of their study."

Fjodor Michailowitsch Dostojewski (1821 - 1881)

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 2015 is 31.07.2015.