

NEWSLETTER

CRC 649

Collaborative Research Center 649 „Economic Risk“

Ot

Prof. Dr. Wolfgang Härdle
Coordinator of the CRC 649

Phone: +49 (0)30 2093-5630
Fax: +49 (0)30 2093-5649
Email: haerdle@wiwi.hu-berlin.de

Prof. Michael C. Burda, Ph.D.
Deputy Coordinator of the CRC
649

Phone: +49 (0)30 2093-5650
Fax: +49 (0)30 2093-5696
Email: burda@wiwi.hu-berlin.de

Janine Tellinger-Rice, MBA
Managing Director of the CRC
649

Phone: +49 (0)30 2093-1471
Fax: +49 (0)30 2093-5617
Email: crc649.wiwi@hu-berlin.de

Alona Zharova
Managing Director of the CRC
649

Phone: +49 (0)30 2093-5708
Fax: +49 (0)30 2093-5617
Email: sfb649@wiwi.hu-berlin.de

NL 01, JANUARY

Editorial:

Collaborative Research Center 649:
“Economic Risk”
School of Business and Economics
Humboldt-Universität zu Berlin
Spandauer Straße 1
10178 Berlin - Germany



sfb649.wiwi.hu-berlin.de

CRC 649 Office
Raphael Reule
Phone: +49 30 2093 5708
Fax: +49 30 2093 5617
E-Mail: stsf649@hu-berlin.de
Office: Room 309 and 314

"There is no rain above the clouds"

REGULAR RESEARCH SEMINARS

Economic Risk Seminar

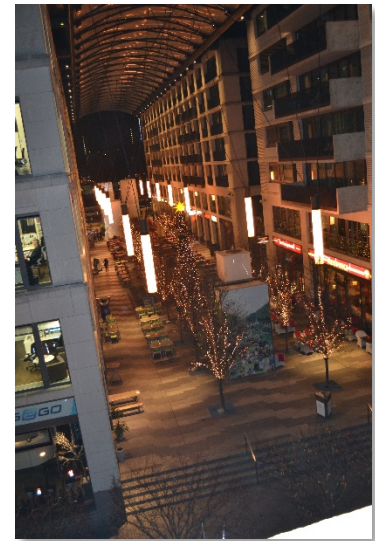
Location: Spandauer Str. 1, room 23
 Time: every Monday, 2.00 – 4.00 p.m.
 Schedule: [Website](#)

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

14. – 17. January 2016 ***Econ Boot Camp***

CRC 649

Please consult the [website](#) of the event for further informations.

20. January 2016

Jour Fixe Winter 2016

CRC 649

Please consult the [website](#) of the event for further informations.

26.-30. January 2016

Haindorf Seminar 2016

CRC 649

Please consult the [website](#) of the event for further informations.

27. January 2015

Bloomberg Workshop

CRC 649 and Bloomberg

Please consult the [website](#) of the event for further informations and signup.

NEWS OF THE PROJECTS

Wolfgang K. Härdle (B1) visited Vienna from the 8th to the 9th of December to give a presentation entitled “ICARE – Localising Conditional AutoRegressive Expectiles” at the workshop “Risk Management in Very High Dimensions” organised by Georg Pflug, University of Vienna. On the 4th to the 5th of December he stayed in London to make a presentation entitled “Distillation of News Flow into Analysis of Stock Reactions” at the “Complex Systems in Time Series” conference organised by Ian Marshall of the Department of Statistics, London School of Economics. From the 17th to the 19th of December she was on Singapore to attend the IASC-ARS 2015 conference entitled “Statistical Computing: Challenges and Opportunities in the Big Data Era” and to organise and chair a session on Smart Data in a Digital Economy.

Philipp Pfeiffer (C10) will spend 5 months at the European Commission's joint research center (JRC) in Ispra, Italy, where he works on the new global model of the European Commission.

Cathy Chen (Z) visited Vienna from the 8th to the 9th of December to give a presentation entitled “Copulae-based Factor Model for Credit Analysis” at the workshop “Risk Management in Very High Dimensions” organised by Georg Pflug, University of Vienna. On the 4th to the 5th of December she was in London to attend the conference “Complex Systems in Time Series” organised by Ian Marshall of the Department of Statistics, London School of Economics. From the 17th to the 19th of December she was on Singapore to attend the IASC-ARS 2015 conference entitled “Statistical Computing: Challenges and Opportunities in the Big Data Era”.

RDC NEWS

RDC goes to SAFE

The Sustainable Architecture for Finance in Europe (SAFE) research center hosts on 20 January 2016 a workshop on research database infrastructure for financial data in the House of Finance in Frankfurt (Main) and invited the RDC to present their primary research databases and infrastructure. Rainer Voss and Awdesch Melzer will represent the RDC during that event. Further information on the workshop is available in [its website](#).

Thomson Reuters Lipper Hedge Fund database

Soon the Thomson Reuters Lipper Hedge Fund database will be available to all RDC users for research purposes. It is a global database with over 220,000 share classes covering mutual funds, closed-end funds, ETFs, hedge funds, domestic pensions and insurance products. Furthermore, ownership data including net buyers and sellers will be available as well as the complete daily historical price information, historical TNAs (fund size) and dividend history. For further information, please, contact the RDC.

EEX Transparency in Markets

Soon the EEX transparency module, an initiative for transparent information on energy production and consumption, will be available to all RDC users. It covers the expected and actual production of wind and solar energy, and expected and actual consumption of energy and gas. For further information, please, contact the RDC.

GUESTS OF THE CRC 649

You find a summary of all guests here:

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

01.08.2015 -
30.08.2016

Chen, Yi-Hsuan Cathy
Chung-Hua University (TW)

Project: The integration of credit default swaps markets

Contact:
Spandauer Str. 1
10178 Berlin
Room: 406
Phone: 030-2093-5649

E-Mail: chencath@hu-berlin.de
Humboldt-Universität zu Berlin [personal web page](#)

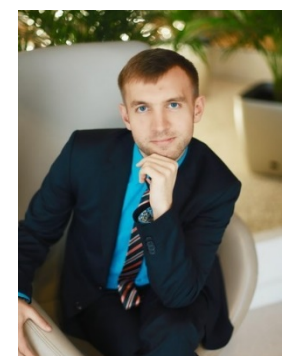


01.08.2015 -
31.05.2016

Filipkov, Yuriy
Odessa I.I. Mechnikov National University (UA)

Project: Management of scientific research and education and its societal modeling, financing and practical implementation of research and development

Contact:
Spandauer Str. 1
10178 Berlin
E-Mail: filippkov@gmail.com



02.09.2015 -
29.02.2016

Feijó, Ricardo

University of São Paulo (BR)

Project: Numerical simulations on the dynamics and Stochastic General Equilibrium Approach: an exercise in MATLAB program.

Contact:

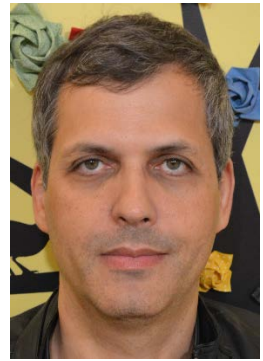
Spandauer Str. 1

10178 Berlin

Room: 318

Phone: 030-2093-5895

E-Mail: riccfeij@usp.br



02.09.2015 -
29.02.2016

Niu, Linlin

Xiamen University (CN)

Project: Macro-finance, Applied econometrics, International economics

Contact:

Spandauer Str. 1

10178 Berlin

Room: 318

Phone: 030-2093-5895

E-Mail: linlin.niu@gmail.com



10.01.2016 -
10.02.2016

Fan, Qingliang

Xiamen University (CN)

Project: High dimensional econometrics, microeconometrics, applied econometrics and statistics

Contact:

Spandauer Str. 1

10178 Berlin

E-Mail: michaelqfan@gmail.com



NEW DISCUSSION PAPERS

More detailed information is available [here](#).

2015-053

"Specification Testing in Random Coefficient Models" ([File](#))
by Christoph Breunig and Stefan Hoderlein, December 2015.

2015-054

"TFP Convergence in German States since Reunification: Evidence and Explanations" ([File](#))
by Michael C. Burda and Battista Severgnini, December 2015.

2016-001

"Downside risk and stock returns: An empirical analysis of the long-run and short-run dynamics from the G-7 Countries" ([File](#))
by Cathy Yi-Hsuan Chen, Thomas C. Chiang and Wolfgang Karl Härdle, January 2016.

PUBLICATIONS

López Cabrera, B. and Schulz, F.

Volatility linkages between energy and agricultural commodity prices
Energy Economics
DOI: 10.1016/j.eneco.2015.11.018

Ritter, M., Hüttel, S., Walter, M. and Odening, M.

Der Einfluss von Windkraftanlagen auf landwirtschaftliche Bodenpreise
Berichte über Landwirtschaft
DOI: 10.12767/buel.v93i3.83.g217

Ritter, M. and Deckert, L.

Site assessment, turbine selection, and local feed-in tariffs through the
wind energy index
Applied Energy
DOI: 10.1016/j.apenergy.2015.11.081

Quantlets

ICARE - localizing Conditional AutoRegressive Expectiles

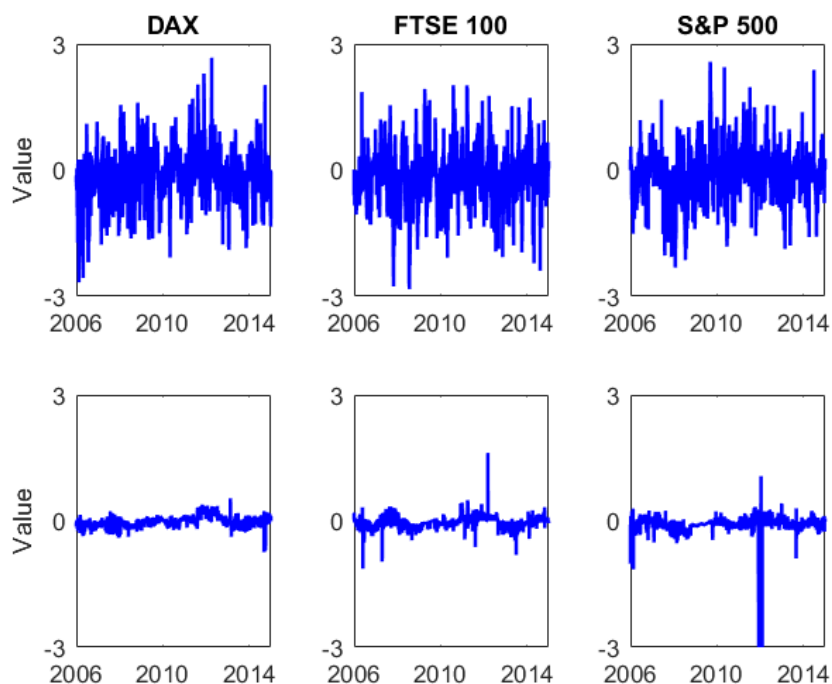
Project: ICARE

In this project, they account for time-varying parameters in the conditional expectile based value at risk (EVaR) model. EVaR appears more sensitive to the magnitude of portfolio losses compared to the quantile-based Value at Risk (QVaR), nevertheless, by fitting the models over relatively long ad-hoc fixed time intervals, research ignores the potential time-varying parameter properties. Their work focuses on this issue by exploiting the local parametric approach in quantifying tail risk dynamics. By achieving a balance between parameter variability and modelling bias, one can safely fit a parametric expectile model over a stable interval of homogeneity. Empirical evidence at three stock markets from 2005-2014 shows that the parameter homogeneity interval lengths account for approximately 1-6 months of daily observations. Their method outperforms models with one-year fixed intervals, as well as quantile based candidates while employing a time invariant portfolio protection (TIPP) strategy for the DAX portfolio. The tail risk measure implied by their model finally provides valuable insights for asset allocation and portfolio insurance.

More details of results and methodology are described at the discussion paper "[ICARE - localizing Conditional AutoRegressive Expectiles](#)".

All corresponding codes with R and Matlab can be found [here](#) in Quantnet on Github.

The quantlet [LCARE Estimation Rolling_001](#) estimates the parameters of CARE model with fix rolling window for selected indices, and then plots the second parameter of CARE model with different fixed rolling windows.



QUOTE OF THE MONTH

" I'd rather live with a good question than a bad answer."

Aryeh Frimer (*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 Newsletter of February 2016 is 29.01.2016.