

TOULOUSE SCHOOL OF ECONOMICS FINANCIAL ECONOMETRICS CONFERENCE

TOULOUSE, MAY 21 & 22, 2010

Friday, May 21

8h30-8h35 Welcome Address:

8h35-10h10 Session I. Chair:

Viktor Todorov (Northwestern University), **George Tauchen** (Duke University):

The Realized Laplace Transform of Volatility

Discussant: **Maria Elvira Mancino** (University of Florence)

Christian Julliard (London School of Economics), Anisha Ghosh (Carnegie Mellon University):

Can Rare Events Explain the Equity Premium Puzzle?

Discussant: **Christian Gollier** (Toulouse School of Economics)

Christian Bontemps (Toulouse School of Economics), Bruno Feunou (Duke University), Nour Meddahi (Toulouse School of Economics):

Testing Parametric Copula Models

Discussant: **Enrique Sentana** (CEMFI, Madrid)

10h10-10h40 Coffee & Tea Break

10h40-12h15 Session II. Chair:

Scott Joslin (MIT), **Kenneth Singleton** (Stanford University):

What Gaussian Macro-DTSMs Cannot Tell Us About the Macro Economy

Discussant: **Caio Almeida** (Getulio Vargas Foundation, Rio de Janeiro)

Ravi Bansal (Duke University), Marcelo Ochoa (Duke University):

Temperature and Expected Equity Returns

Discussant: **Laurent Calvet** (HEC, Paris)

Victor DeMiguel (London Business School), Yuliya Plyakha (Goethe University Frankfurt), **Raman Uppal** (London Business School), Grigory Vilkov (Goethe University Frankfurt):

Improving Portfolio Selection Using Option-Implied Volatility and Skewness

Discussant: **Marcel Rindisbacher** (Boston University)

12h15-13h30 Lunch

13h30-15h05 Session III. Chair:

René Garcia (EDHEC Business School), **Daniel Mantilla-Garcia** (EDHEC Business School), **Lionel Martellini** (EDHEC Business School):

Idiosyncratic Risk and the Cross-Section of Realized Returns: Reconciling the Aggregate Returns Predictability Evidence

Discussant: **George Tauchen** (Duke University)

Bruno Feunou (Duke University), **Jean-Sebastien Fontaine** (Bank of Canada):

Discrete Time Monetary Policy and Closed-Form Term Structure of Interest Rate Models: Theory and Applications

Discussant: **Philippe Mueller** (London School of Economics) (TBC)

Fany Declerck (Toulouse School of Economics), **Sophie Moinas** (Toulouse School of Economics):

Trading Structure, Liquidity Rebates and Market Quality

Discussant: **Jeremy Large** (Oxford-Man Institute)

15h05-15h35 Coffee & Tea Break

15h35-17h10 Session IV. Chair:

David Bates (University of Iowa):

U.S. Stock Market Crash Risk, 1926-2009

Discussant: **Michael Chernov** (London Business School)

Tobias Adrian (Federal Reserve Bank, New York), **Markus Brunnermeier** (Princeton University):

CoVaR

Discussant: **Andrew Patton** (Duke University)

Jean-Pierre Florens (Toulouse School of Economics):

Dependence Analysis Between Durations and Counting Processes

Discussant: **Jean-David Fermanian** (CREST-INSEE)

17h10-17h15 Short Break

17h15-18h00 Session V. Chair:

Paul Embrechts (ETH, Zurich):

The Financial Crisis: Warnings, Guilt and a Mathematical Theorem

19h00- Dinner (By invitation)

Saturday, May 22

8h30-10h05 Session VI. Chair:

Patrick Gagliardini (University of Lugano and Swiss Finance Institute), **Diego Ronchetti** (University of Lugano):

Semi-Parametric Estimation of American Option Prices

Discussant: **René Garcia** (EDHEC Business School)

Caroline Jardet (Banque de France), **Alain Monfort** (CREST, Banque de France, and Maastricht University),

Fulvio Pegoraro (Banque de France and CREST):

No-Arbitrage Near-Cointegrated VAR(p) Term Structure Models, Term Premia and GDP Growth

Discussant: **Valentina Corradi** (University of Warwick)

Dante Amengual (CEMFI, Madrid), **Enrique Sentana** (CEMFI, Madrid):

Inference in Multivariate Dynamic Models with Elliptical Innovations

Discussant: **Olivier Faugeras** (Toulouse School of Economics)

10h05-10h35 Coffee & Tea Break

10h35-12h40 Session VII. Chair:

Taesuk Lee (University of Rochester), **Werner Ploberger** (Washington University in St. Louis):

Rate-Optimal Tests for Jumps in Diffusion Processes

Discussant: **Cecilia Mancini** (University of Florence)

Per Mykland (Oxford University and University of Chicago), **Lan Zhang** (Oxford University):

Local Likelihood Analysis in Noisy High Frequency Data

Discussant: **Jean Jacod** (Université Pierre et Marie Curie)

Laurent Calvet (HEC, Paris), **Veronika Czellar** (HEC, Paris):

On the Efficient Estimation of Learning Models

Discussant: **Christian Gourieroux** (CREST and University of Toronto)

Ravi Bansal (Duke University), **Dana Kiku** (University of Pennsylvania), **Amir Yaron** (University of Pennsylvania):

Risks For the Long Run: Estimation and Inference

Discussant: **Stéphane Gregoir** (EDHEC Business School)

12h40-13h45 Lunch

13h45-15h50 Session VIII. Chair:

Eric Jacquier (HEC, Montréal), Shirley Miller (Université de Montréal):

The information Content of Realized Volatility: What We Could Have Known in 2008

Discussant: **Kevin Sheppard** (Oxford University)

Federico Bandi (Johns Hopkins University), **Jeffrey Russell** (University of Chicago), Chen Yang (University of Chicago):

Forecasting Realized Volatility in the Presence of Time-Varying Noise

Discussant: **Walter Distaso** (Imperial College London)

Emmanuel Bacry (Ecole Polytechnique), Sylvain Delattre (Université Paris 7), **Marc Hoffmann** (CREST, Paris), Jean-François Muzy (CNRS):

Microstructure Noise and Epps Effect: a Point Process Approach

Discussant: **Per Mykland** (Oxford University and University of Chicago)

Nour Meddahi (Toulouse School of Economics), Per Mykland (Oxford University and University of Chicago):

Fat Tails or Many Small Jumps? The Near Jump-Diffusion Paradigm

Discussant: **Mark Podolskij** (ETH, Zurich)

15h50 Adjourn

Time allocation: 22 minutes for presenter, 7 minutes for discussant, 2 minutes for audience.

Organizer: **Nour Meddahi** (Toulouse School of Economics)

Sponsors: **SCOR** and **ERC**