

NONLINEAR AND FINANCIAL ECONOMETRICS CONFERENCE

A TRIBUTE TO A. RONALD GALLANT

TOULOUSE SCHOOL OF ECONOMICS, MAY 19-21, 2011

Thursday, May 19, 2011

13h25-13h30 Welcome Address: Jean Tirole and George Tauchen

13h30-15h00 Session T-I. *Chair:*

Robert Engle (New York University) [Christian Brownlees (New York University)]:

Volatility, Correlation and Tails for Systemic Risk Measurement

Discussant: **Peter Christoffersen (University of Toronto)**

George Tauchen (Duke University) [Viktor Todorov (Northwestern University), Iaryna Grynkiv (Duke University)]:

Realized Laplace Transforms for Estimation of Jump Diffusive Volatility Models

Discussant: **Torben Andersen (Northwestern University)**

15h00-15h20 Coffee & Tea Break

15h20-16h50 Session T-II. *Chair:*

Christian Gouriéroux (CREST and University of Toronto) [Patrick Gagliardini (University of Lugano)]:

Correlated Risks vs Contagion in Stochastic Transition Models

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

Peter Rossi (University of California at Los Angeles):

Bayesian Density Estimation with Applications in Semi-parametric Problems

Discussant: **Shakeeb Khan (Duke University)**

16h50-17h10 Coffee & Tea Break

17h10-18h45 Session T-III. *Chair:*

Frederic Mishkin (Columbia University):

Monetary Policy Strategy: Lessons from the Crisis

Discussant: **Franck Portier (Toulouse School of Economics)**

Ronald Gallant (Duke University and New York University) [Han Hong (Stanford University), Ahmed Khwaja (Yale University)]:

Bayesian Estimation of a Dynamic Game with Endogenous, Partially Observed, Serially Correlated State

Discussant: **Jean-Pierre Florens (Toulouse School of Economics)**

Friday, May 20, 2011

9h00-10h35 Session F-I. Chair:

John Geweke (University of Technology Sydney) [Garland Durham (University of Colorado)]:

Improving Asset Price Prediction when All Models are False

Discussant: **Eric Jacquier (MIT and HEC-Montéal)**

Tim Bollerslev (Duke University) [Viktor Todorov (Northwestern University)]:

Tails, Fears and Risk Premia

Discussant: **Richard Robb (Columbia University)**

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

An Empirical Evaluation of the Long-Run Risks Model for Asset Prices

Discussant: **Roméo Tédongap (Stockholm School of Economics)**

10h35-11h05 Coffee & Tea Break

11h05-12h40 Session F-II. Chair:

Eric Renault (University of North Carolina) [Jonathan Hill (University of North Carolina)]:

Generalized Method of Moments with Tail Trimming

Discussant: **Anders Rahbek (University of Copenhagen)**

Eric Ghysels (University of North Carolina) [Alberto Plazzi (University of Lugano), Rossen Valkanov (University of California at San Diego)]:

Conditional Skewness of Stock Market Returns in Developed and Emerging Markets and its Economic Fundamentals

Discussant: **Roger Koenker (University of Illinois)**

Garland Durham (University of Colorado):

Using Particle Filters to Construct and Assess Predictive Densities for Asset Prices

Discussant: Bjorn Eraker (University of Wisconsin)

12h40-14h10 Lunch

14h10-15h45 Session F-III. Chair:

Jianqing Fan (Princeton University) [Yacine Aït-Sahalia (Princeton University), Yingying Li (Princeton University)]:

Leverage Effect Puzzle: Untangling Biases in High Frequency Estimates

Discussant: Marc Hoffmann (ENSAE)

Neil Shephard (Oxford-Man Institute, University of Oxford) [Diaa Noureldin (University of Oxford), Kevin Sheppard (Oxford-Man Institute, University of Oxford)]:

Multivariate High-Frequency-Based Volatility (HEAVY) Models

Discussant: Giampiero Gallo (Università di Firenze)

Roberto Pancrazi (Toulouse School of Economics):

Spectral Covariance Instability Test: An Application to the Great Moderation

Discussant: Sophocles Mavroeidis (University of Oxford)

15h45-16h15 Coffee & Tea Break

16h15-18h20 Session F-IV. Chair:

Yacine Aït-Sahalia (Princeton University):

Option Prices and the Markov Property

Discussant: Eric Renault (University of North Carolina)

Enrique Sentana (CEMFI, Madrid) [Francisco Penaranda (Universitat Pompeu Fabra)]:

Duality in Mean-Variance Frontiers with Conditioning Information

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

Silvia Gonçalves (Université de Montréal) [Benoît Perron (Université de Montréal)]:

Bootstrapping Factor-Augmented Regression Models

Discussant: Valentina Corradi (University of Warwick)

Anne Vanhems (Toulouse Business School and Toulouse School of Economics) [Leopold Simar (Université Catholique de Louvain-la-Neuve)]:

Probabilistic Characterization of Directional Distances and their Robust Versions

Discussant: Patrick Gagliardini (University of Lugano)

19h30- Conference Dinner

Saturday, May 21, 2011

8h45-10h20 Session S-I. Chair:

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

Testing Multivariate Distributional Assumptions

Discussant: Dante Amengual (CEMFI, Madrid)

Asger Lunde (CREATES, University of Aarhus) [Neil Shephard (Oxford-Man Institute, University of Oxford), Kevin Sheppard (Oxford-Man Institute, University of Oxford)]:

Estimation of Vast Covariance Matrices using High-Frequency Data

Discussant: Nikolaus Hautsch (Humboldt University)

Kaddour Hadri (Queens University Belfast) [Ruijun Bu (Liverpool University)]:

A Semi-Parametric Interest Rate Model Based on Reducible Stochastic Differential Equations

Discussant: Bruno Feunou (Duke University)

10h20-10h50 Coffee & Tea Break

10h50-12h25 Session S-II. Chair:

Torben Andersen (Northwestern University) [Dobrislav Dobrev (Federal Reserve Board of Governors), Ernst Schaumburg (Federal Reserve Bank of New York)]:

Integrated Quarticity Estimation: Theory and Practical Implementation

Discussant: Andrew Patton (Duke University)

René Garcia (EDHEC Business School) [Federico Bandi (Johns Hopkins University), Abraham Lioui (EDHEC Business School), Benoît Perron (Université de Montréal)]:

A Long-Horizon Perspective on the Cross-Section of Expected Returns

Discussant: Ravi Bansal (Duke University)

Jean-Marie Dufour (McGill University) [Pascale Valéry (HEC Montréal)]:

Wald-Type Tests when Rank Conditions Fail: A Smooth Regularization Approach

Discussant: **Anna Simoni (Università Bocconi)**

12h25-13h55 Lunch

13h55-15h30 Session S-III. Chair:

Joon Park (Indiana University):

Martingale Regressions for Conditional Mean Models in Continuous Time

Discussant: **Jean-Pierre Florens (Toulouse School of Economics)**

Walter Distaso (Imperial College London), [Valentina Corradi (University of Warwick), Marcelo Fernandes (Queen Mary University of London)]:

Conditional Alpha and Realized Betas

Discussant: **Ai-ru (Meg) Cheng (University of California at Santa Cruz)**

Nour Meddahi (Toulouse School of Economics):

Expected Value Models: A New Approach

Discussant: **Kevin Sheppard (Oxford-Man Institute, University of Oxford)**

15h30 Adjourn

Time allocation:

Thursday: 30 minutes for presenter, 10 minutes for discussant, rest of time for the audience.

Friday and Saturday: 20 minutes for presenter, 7 minutes for discussant, rest of time for the audience.