THE FIFTH RISK MANAGEMENT CONFERENCE
Mont Tremblant, Québec, Canada

FAIRMONT RESORT HOTEL
February 28-March 2, 2014

Sponsored by:

Desmarais Global Finance Research Centre

Bank of Canada

Caisse de dépôt et placement du Québec

CREATES
University of Aarhus

Global Risk Institute

National Bank

Organized by:

Peter Christoffersen, University of Toronto
Jean-Sébastien Fontaine, Bank of Canada
Antonio Diez de los Rios, Bank of Canada
Jan Ericsson, McGill University

P R O G R A M

McGill Desmarais Global Finance Research Centre
Desautels Faculty of Management

NATIONAL BANK

BANQUE DU CANADA
BANK OF CANADA

Caisse de dépôt et placement du Québec

CREATES
Center for Research in Econometric Analysis of Time Series

GLOBAL RISK INSTITUTE

Day One: Friday, February 28, 2014

7:30-8:00 Registration

Friday Morning Session: INTEREST RATE RISK

7:30-10:00 BREAKFAST

8:00-8:45

Term Structure of Interest Rate Volatility and Macroeconomic Uncertainty

Authors: Drew D. Creal, Jing Cynthia Wu
Presenter: Jing Cynthia Wu, University of Chicago
Discussant: Steven Heston, University of Maryland

8:45-9:00 COFFEE BREAK

9:00-9:45

A New Class of Dynamic Term Structure Models

Authors: Bruno Feunou, Jean-Sébastien Fontaine, Anh Le
Presenter: Anh Le, UNC
Discussant: Peter Feldhütter, LBS

9:45-10:00 COFFEE BREAK

10:00-10:45

Term Structure of Interest Rates with Short-Run and Long-Run Risks

Authors: Olesya Grishchenko, Hao Zhou
Presenter: Olesya Grishchenko, FRB
Discussant: Rémy Lambinet, GRI

Friday Afternoon Session: CREDIT RISK

4:30-5:15

The Credit Spread Puzzle – Myth or Reality?

Authors: Peter Feldhütter, Stephen Schaefer
Presenter: Peter Feldhütter, LBS
Discussant: Antje Berndt, NCSU

5:15-5:30 COFFEE BREAK

5:30-6:15

Complexity in Structured Finance: Financial Wizardry or Smoke and Mirrors?

Author: Andra Ghent, Walter Torous, Rossen Valkanov
Presenter: Rossen Valkanov, UCSD
Discussant: Chris Parsons, UCSD & HBS

7:15

CONFERENCE DINNER

Day Two: Saturday, March 1, 2014

Saturday Morning Session: MARKET RISK

7:30-10:00 BREAKFAST

8:00-8:45
Volatility Spikes and Jumps: Intradaily Volatility and Crash Evolution
Author: David S. Bates
Presenter: David S. Bates, University of Iowa & NBER
Discussant: Kris Jacobs, University of Houston

8:45-9:00 COFFEE BREAK

9:00-9:45
A Spanning Series Approach to Options
Authors: Steven Heston, Alberto G. Rossi
Presenter: Steven Heston, University of Maryland
Discussant: Dacheng Xiu, University of Chicago

9:45-10:00 COFFEE BREAK

10:00-10:45
Resolution of Policy Uncertainty and Sudden Declines in Volatility
Authors: Dante Amengual, Dacheng Xiu
Presenter: Dacheng Xiu, University of Chicago
Discussant: Bruno Feunou, Bank of Canada

Saturday Afternoon Session: TAXES AND TRADING COSTS

4:30-5:15
Negative Externality of Algorithmic Trading: Evidence from the Option Market
Authors: Dmitriy Muravyev, Neil D. Pearson
Presenter: Dmitriy Muravyev, Boston College
Discussant: Cristina Scherrer, Aarhus University

5:15-5:30 COFFEE BREAK

5:30-6:15
Heuristic Portfolio Trading Rules with Capital Gain Taxes
Authors: Marcel Fischer, Michael Gallmeyer
Presenter: Michael Gallmeyer, University of Virginia
Discussant: Burton Hollifield, CMU

Day Three: Sunday, March 2, 2014

Sunday Morning Session: LIQUIDITY RISK

7:30-10:00 BREAKFAST

8:00-8:45
Extreme Downside Liquidity Risk
Authors: Stefan Ruenzi, Michael Ungeheuer, Florian Weigert
Presenter: Michael Ungeheuer, University of Mannheim
Discussant: Sermin Gungor, Bank of Canada

8:45-9:00 COFFEE BREAK

9:00-9:45
A Market-Based Funding Liquidity Measure
Authors: Zhuo Chen, Andrea Lu
Presenter: Zhuo Chen, Northwestern
Discussant: Ruslan Goyenko, McGill & University of Toronto

9:45-10:00 COFFEE BREAK

10:00-10:45
Demand for Crash Insurance, Intermediary Constraints, and Stock Return Predictability
Authors: Hui Chen, Scott Joslin, Sophie Ni
Presenter: Hui Chen, MIT
Discussant: Harjoat Bhamra, Imperial College London