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

PROGRAM
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
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
### 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