FORECASTING FINANCIAL MARKETS:
ADVANCES FOR EXCHANGE RATES, INTEREST RATES AND ASSET MANAGEMENT

Aix-en-Provence, 31 May, 1 and 2 June 2006

Conference Programme

Programme Chairs:

Christian Dunis
(CIBEF and Liverpool John Moores University)

Michael Dempster (Judge Institute, University of Cambridge)

Eric Girardin
(GREQAM and Université Aix-Marseille II)

Modelling with high frequency data and market microstructure

Fund management and trading rules

Funds of funds and balanced funds

Advances in asset management and portfolio optimisation

Relative value and market neutral strategies

Modelling volatility and correlation

Risk analysis and credit trading

Derivatives pricing models and real options

Sponsors:
Day 1: Wednesday 31 May 2006

SESSION 1 - FORECASTING IN FINANCIAL MARKETS
08:00  Registration and Coffee
08:45  Opening Address
09:00  Functional Forecasting of the Yield Curve, R. J. Hyndman and P. S. Kalev, Monash University, Australia.
09:30  Forecasting International Yield Curves, M. Willner, Goethe University Frankfurt, Germany.
10:00  On the Accuracy of Loss Given Default Prediction Intervals, S. Alvarez and J. S. Baixauli, Universidad de Murcia, Spain.
10:30  Exhibits and Coffee
10:45  Feature Dependency in Short Term Exchange Rate Forecasting, H. G. Zimmermann, Siemens AG, Germany.
11:15  Forecasting Inter-Related Energy Product Prices, M. E. Malliaris, Loyola University Chicago and S. G. Malliaris, Yale University, USA.
11:45  Forecasting Daily Volatility with Intraday Data, B. Frijns and D. Margaritis, Auckland University of Technology, New Zealand.
12:15  Lunch and Exhibits

PARALLEL SESSION 2 - DERIVATIVES, OPTIONS AND VOLATILITY MODELLING (I)
14:00  Effects of Exchange Rate Volatility on the Volume and Volatility of Bilateral Exports, C. Baum, Boston College, USA and M. Caglayan, University of Glasgow, UK.
14:30  Foreign Exchange, Fractional Cointegration and the Implied-Realized Volatility Relation, N. Kellard, University of Essex, C. Dunis, Liverpool JMU and N. Sarantis, London Metropolitan University, UK.
15:00  Exhibits and Tea
16:45  Close of session

PARALLEL SESSION 3 - CAPITAL MARKETS AND ASSET PRICES (I)
13:30  The Hedging Effectiveness of Dynamic Hedging from Selected European Stock Futures, M. S. Hasan, Sheffield Hallam University, UK.
15:00  Exhibits and Tea
15:15  Long-Memory Processes for Daily Exchange Rate Series, H. Boubaker, ISG de Sousse, Tunisia.
15:45  Does Intervention Alter Private Behaviour, E. Girardin, Université de la Mediterranée Aix-Marseille II, France. and R. K. Lyons, UC Berkeley, USA.
16:15  The Components of Electronic Order-Driven Spot FX Bid-Ask Spreads Pre- and Post-EMU, F. McGroarty, University of Southampton, O. Gwilym, University of Wales and S. Thomas, University of Southampton, UK.
16:45  Close of session
17:45  Guided Tour of Aix-en-Provence
Day 2: Thursday 1 June 2006

08:30  Coffee

PARALLEL SESSION 4 - DERIVATIVES, OPTIONS AND VOLATILITY MODELLING (II)

09:00  Heterogeneous Expectations and Long Range Correlation of the Volatility of Asset Returns, J. Coulon and Y. Malevergne, University of Lyon 1, France.

09:30  Volatility Forecasts: The Role of Asymmetric and Long-Memory Dynamics and Regional Evidence, T. Evans, University of Wales and D. G. McMillan, University of Durham, UK.

10:00  Trading Intensity and Intraday Volatility on the Prague Stock Exchange: Evidence from an Autoregressive Conditional Duration Model, V. Bubak and F. Zikes, Charles University Prague, Czech Republic.

10:30  Exhibits and Coffee

10:45  Realised Volatility and Market Microstructure Noises, B. Seo, University of California Santa Barbara, USA.


11:45  Wishart Multi-Dimensional Stochastic Volatility, J. Da Fonseca, ESILV, France, M. Grasselli, Universita degli Studi di Padova and C. Tebaldi, Universita degli Studi di Verona, Italy.

12:15  Lunch and Exhibits

PARALLEL SESSION 5 - CAPITAL MARKETS AND ASSET PRICES (II)

09:00  Understanding the Investment Opportunity Set, P. Lequeux and I. Petej, ABN AMRO Asset Management, London, UK.

09:30  CAPM Revisited, J. Laws and J. Thompson, Liverpool John Moores University, UK.


10:30  Exhibits and Coffee

10:45  Canonical Term-structure Models with Observable Factors and the Dynamics of Bond Risk Premia, M. Pericoli and M. Taboga, Banca d'Italia, Italy.


11:45  The Relationship between Capital Structure and Risk in Emerging Market Banks, K. Floquet and N. Biekpe, University of Stellenbosch, South Africa.

12:15  Lunch and Exhibits

PARALLEL SESSION 6 - ADVANCED MODELLING TECHNIQUES (I)

14:00  A Copula-VAR Approach for Industrial Production Modelling and Generalized Impulse Response Functions, C. Bianchi, D. Fantazzini, M. E. Gialli and M. A. Maggi, University of Pavia, Italy.


15:00  A Correlation Analysis of Order Aggressiveness, C. Ekinci, Aix-Marseille III University, France.

15:30  Exhibits and Tea


16:45  Modelling Conditional Heteroskedasticity with Smooth Time-Varying Structure, C. Amado and T. Teräsvirta, Stockholm School of Economics, Sweden.

17:15  Empirical Analysis of Collateralized Debt Obligations and Spreads Estimations, M. Benfaida, DaimlerChrysler AG, Germany.

17:45  Close of Session

PARALLEL SESSION 7 - INVESTMENT AND TRADING STRATEGIES

14:00  Trading Futures Spread Portfolios: Applications of Higher Order and Recurrent Networks, C. L. Dunis, J. Laws and B. Evans, Liverpool John Moores University, UK.


15:00  Frequencies in Ultra-High-Frequency Trading, W. L. Ng, University of Muenster, Germany.

15:30  Exhibits and Tea


16:45  On Individual and Institutional Noise Trading, R. Beaumont, Radboud University Nijmegen, M. van Dale, Maastricht University, B Frijns, AUT University, and T. Lehnert, Maastricht University, Netherlands.

17:15  Asymmetric Correlations of Hedge Funds Strategies, F. Pochon and Jerome Teiletche, IXIS CIB, Paris, France.

17:45  Close of Session
Day 3: Friday 2 June 2006

08:30 Coffee

PARALLEL SESSION 8 - MODELLING FOREIGN EXCHANGE MARKETS

09:00 Farther Away From the Random Walk: The Impact of News on the Pound and the Euro Exchange Rates, S. Di Colli, University of Rome and M. Tivegna, University of Teramo and LUISS Guido Carli, Rome, Italy.
09:30 Stochastic Structure of Brokered Foreign Exchange Auction, R. Wada, Otaru University of Commerce, Japan.
10:00 Filtering the Market Expectation Concerning the Final Fixing, A. Naszódi, The Central Bank of Hungary, Hungary.
10:30 Exhibits and Coffee
10:45 Benchmark Index of Risk Appetite, M. Misina, Bank of Canada, Canada.
11:45 Twofold Trump Decision Making Model as Exchange Market Inefficiency Verifier, A. V. Rutkauskas and V. Stasytė, Vilnius Gediminas Technical University, Lithuania.
12:15 Lunch and Exhibits

PARALLEL SESSION 9 - FUND MANAGEMENT AND PORTFOLIO OPTIMISATION

09:00 On Portfolio Selection Under Extreme Risk Measure: The Heavy-Tailed ICA model, S. Clemençon, Universités Paris VI et VII, and S. Slim, Université Paris X Nanterre, France.
09:30 Asymmetric Risk and International Portfolio Choice, S. Thorp, University of Technology Sydney and G. Milunovich, Macquarie University Sydney, Australia.
10:00 Multivariate Risk Exposure: Risk Premium, Optimal Decisions and Mean-Variance Implications, A. Martins, Universidade Catolica Portuguesa, Lisbon, Portugal.
10:30 Exhibits and Coffee
10:45 A Data-Driven Optimisation Heuristic for Portfolio Choice Problems, M. Gilli, University of Geneva and E. Kellezi, Mirabaud & Cie, Geneva, Switzerland.
11:15 Measuring Portfolio Performance Using Modified Measures of Risk, C. Adcock, The University of Sheffield, UK.
12:15 Lunch and Exhibits

SESSION 10 - ADVANCED MODELLING TECHNIQUES (II)

14:00 Extending the Variance Ratio Test to Visualise Structure in Data: An Application to the S&P 100 Index, A. Lindemann, C. L. Dunis and P. Lisboa, Liverpool John Moores University, UK.
14:30 Detection of Long Memory in Crude Oil Series, M. Chaouachi, University Panthéon-Assas Paris-II, France.
15:00 Tree Structured Autoregressive Mixture Models for Financial Time Series, E. Mendes, A. Veiga and M. Medeiros, Pontifical Catholic University of Rio de Janeiro, Brazil.
15:30 Exhibits and Tea
15:45 From Default Probabilities to Credit Spread Through Scaling Laws, M. M. Dacorogna, S. Denzler, U. A. Müller and A. McNeil, Converium Ltd, Zürich, Switzerland.
16:45 The Statistics of the Information Ratio, P. Bertrand, GREQAM, University of Montpellier 1, and C. Protopopescu, GREQAM, University of Aix-Marseille 2, France.
17:15 End of Conference

Publication of Papers:

Conference papers will be available on the Conference Proceedings Cd-Rom, a copy of which will be given to each delegate. Authors are also invited to submit their work to the European Journal of Finance (E.J.F.) which will publish a special proceedings issue containing selected papers from the Conference.
Conference Venue:  
La Baume les Aix  
Chemin de la Blaque  
F-13090 Aix-en-Provence

Registration Fees:
Presenters registration fees: EUR 200 (academics) and EUR 350 (non-academics). In the case of a paper with multiple authorship, only one presenter can pay this reduced fee.  
Standard delegate fees: EUR 1000. Academics are entitled to a 50% discount (letter on University letterhead required). The fee includes all refreshments and lunches and a guided tour of Aix on Wednesday 31 May. All participants including presenters are responsible for their own travel and accommodation expenses.  
Please note that payment must be received at least one week before the Conference begins.  
A Conference dinner is organised on Thursday 1 June for which there will be an additional fee of EUR 40 (please register on site on the first day of the Conference).

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Exhibitors:  
We have a spacious exhibition area available throughout the Conference. For further information and costs, please contact Christian Dunis at cdunis@tiscali.co.uk or on +44 (0)20 7228 6128.

Hotel Accommodation:  
We recommend that delegates who wish to attend the Conference book a room as soon as possible as many conferences are taking place in Aix-en-Provence in May/June. Hotel information is available on our website www.cibef.com.

Any further questions relating to the Conference can be addressed to:  
- Yves Doazan, GREQAM, 2 rue de la Charité, F-13236 Marseille Cedex 02  
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