RESEARCH MATTERS
School of Finance and Economics
Research Newsletter

UNIVERSITY OF TECHNOLOGY SYDNEY

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News

Abigail Brown has accepted a two-year postdoctoral fellowship at the Edmond J Safra Center for Ethics at Harvard University. As a part of their “Project on Institutional Corruption” she will be writing a book on the evolution of the audit profession in the US.

David Michayluk convened the inaugural **UTS Market Microstructure Workshop** at the Reserve Bank Coombs Centre in March. The workshop was the focus of the visit of Maureen O'Hara and David Easley from Cornell University. Eight papers, each with two discussants, were presented over two days. There were over 40 attendees from UTS, UNSW, University of Sydney, UC Berkeley, Bond University, ANU, University of Tasmania, University of Adelaide and University of Melbourne as well as industry participants from Westpac, Deutsche Bank, GMO, APRA, LTS Market Making/Kokomo Capital, Citibank, and the Capital Markets CRC.

In January, **David Goldbaum** became an elected member of the Advisory Council of the Society for Computational Economics (three year term).

Visitors

Nicolas Treich, 5 February to 27 April
Toulouse School of Economics, Directeur de Recherche INRA, Toulouse, France
Research Interests: Benefit-cost Analysis, Risk Theory and Environmental Economics

Takashi Kano, 20 February to 8 May
Assistant Professor of Economics, University of Tokyo, Japan
Research Interests: Macroeconomics, Business Cycle Fluctuations, Open Economy Macroeconomics.

Andreas Röthig, 1 March to 31 May
Department of Economics, Darmstadt University of Technology, Germany.
Research Interests: Financial markets and crises; Behavioural Economics and Finance; Empirical Macro.

Stephen Satchell, 21 March to 21 April
Trinity College, Cambridge, UK
Research Interests: Econometrics, finance, risk measurement and utility theory.

Leonardo Morales-Arias, 5 April to 20 May
Kiel Institute for the World Economy, Geramany
Research Interests: Asset pricing; asset volatility; exchange rate and inflation modelling.

Louis-Philippe Rochon, 5 April to 7 May
Laurentian University, Canada
Research Interests: Dollarization; Endogenous money; Globalisation; New consensus; Post-Keynesian economics

Upcoming Seminars

7–April	**Dick Stapleton**, University of Manchester: *The Demand for Options*
14–April	**Ron Kaniel**, Duke University: *TBA*
19-April	**Ser-Huang Poon**, University of Manchester: *Economic Implications of Extraordinary Movements in Stock Markets*
21-April	**Ilan Guedj**, Univesity of Texas at Austin: *TBA*
28-April	**Allaudeen Hameed**, National University of Singapore: *Industries and Stock Return Reversals*
3-May	**Doug Foster**, Australian National University: *TBA*

QMF2010

11 — 18 December 2010

Focus: Variable Annuities, Stochastic Volatility, Portfolio Optimisation, Transaction Costs, Energy and Emissions Trading and other areas of Quantitative Finance

For further information see the QMF2010 conference website at: www.qfrc.uts.edu.au/qmf

Published — Articles and Books

N Bruti-Liberati, **C Nikitopoulos-Sklibosios** and **E Platen**, 2010, Real-world jump-diffusion term structure models, *Quantitative Finance,* 10 (1*)*, 23-37.

P Chen and **C-Y Hsiao**, 2010, Subsampling the Johansen test with stable innovations, *Australian and New Zealand Journal of Statistics*, 52(1), 61-73.

P Docherty and G Wang, 2010, Using Synthetic Data to Evaluate the Impact of RTGS on Systemic Risk in the Australian Payments System, *Journal of Financial Stability*, 6, 103-117.

C Kardaras and **E Platen**, 2010, Minimizing the expected market time to reach a certain wealth level, *SIAM Journal on Financial Mathematics,* 1 (1), 16-29.

E Platen and **R Rendek**, 2010, Quasi-exact approximation of hidden Markov chain filters, *Communications on Stochastic Analysis*, 4 (1), 129-142.

E Platen and **R Rendek**, 2009, Exact scenario simulation for selected multi-dimensional stochastic processes, *Communications on Stochastic Analysis*, 3 (3), 443-465.

E Platen and D Heath, 2010, **A Benchmark Approach to Quantitative Finance***,* Springer Finance, 700 pp, (second ed.)

Papers and Book Chapters Accepted

H Bateman, J Louviere, T Islam, **S Satchell**, and **S Thorp**, Retirement investor risk tolerance in tranquil and crisis periods: experimental survey evidence, *Journal of Behavioral Finance*, forthcoming.

A Brown and J Clift, The unequal effects of Adequate Yearly Progress: Evidence from school visits, *American Educational Research Journal*, forthcoming.

P Docherty, Keynes' *General Theory*, the Quantity Theory of Money and Monetary Policy, in T Cate (ed.), **Keynes' General Theory: Seventy-five Years Later**, Edward Elgar, (forthcoming).

K Ignatieva and **E Platen**, Modelling co-movements and tail dependency in the international stock market via copulae, *Asia Pacific Financial Markets*, forthcoming.

E Platen and **N Bruti-Liberati**, 2010, **Numerical Solution of SDEs with Jumps in Finance.** Springer, Applications of Mathematics Series, 882 pp, in press.

RM Trayler and **C Bajada**, How Australia Survived the Global Financial Crisis, in B Gup (ed.) **The Financial and Economic Crises: An International Perspective**, Edward Elgar (forthcoming).

Conference and Seminar Presentations

J Collins, Immigrants in Rural and Regional Australia: new arrivals and older legacies, Seminar, National Institute for Rural and Regional Australia, ANU, March 2010.

J Collins, The Media, Immigrant Minorities and Ethnic Crime in Sydney, Public Address, *Sydney City Council Forum on Media and Inclusion*, Living in Harmony Festival, Sydney, March 2010.

S Griebsch, The Evaluation of European Compound Option Prices under Stochastic Volatility using Fourier Transform Techniques. Applied Mathematics Seminar, University of Sydney, March 2010.

G Menzies, Threshold pricing in a noisy world, (with T Henckel and D Zizzo), Seminar, ANU, March 2010.

L Mercorelli, Modelling adverse selection on electronic order-driven markets, (with **A Hall** and **D Michayluk),** *UTS Market Microstructure Conference*, Sydney, March 2010.

D Michayluk, Reducing transaction taxes in Shanghai: Increased speculation can improve market quality, *4th Annual University of Sydney Market Microstructure Conference*, Sydney, March 2010.

E Platen, The Benchmark Approach, *Workshop on Foundations of Mathematical Finance*, Fields Institute, Toronto, Canada, January 2010.

E Platen, Real World Pricing of Long Term Contracts, Seminar, The Fields Institute Quantitative Finance Seminar Series, Toronto, Canada, January 2010.

E Platen, Real World Pricing of Long Term Contracts, *Actuarial and Financial Mathematics Conference 2010*, Opening Lecture, Brussels, February 2010.

T Walter, Open and closed analyst briefings: An intraday market microstructure perspective,(with **Z Corones**), *UTS Market Microstructure Conference*, Sydney, March.

If you would like to contribute an item to FERN contact Lakmali.Dias@uts.edu.au