

# Symposium 2008

**Risk and Asset Management**

**17-19 April 2008  
EDHEC Business School, Nice, France**

## Program



# EUROPEAN FINANCIAL MANAGEMENT



## SYMPOSIUM

### Risk and Asset Management

April 17-19, 2008

EDHEC BUSINESS SCHOOL, Nice, France

**Keynote Speaker: Robert Arnott, Research Affiliates, LLC**

**Symposium Chair: Lionel Martellini  
EDHEC Business School**

### Symposium Program

(Each paper is scheduled for a total of 45 mns, including 30 mns for the presentation, 10 mns for the discussant, and 5 mns for questions)

#### Thursday 17<sup>th</sup> April 2008

5:00 – 6:30pm	<b>Registration</b>	
6:30 – 7:30pm	<b>Official Welcome from EDHEC Lionel Martellini, EDHEC Business School John Doukas, European Financial Management Association</b>	<b>Amphi 0002</b>
7:30 – 9:00pm	<b>Inaugural Buffet Reception</b>	<b>Amphi 0001</b>

#### Friday 18<sup>th</sup> April 2008

09:30 – 11:00am **Presentations (3 parallel sessions)** Sessions A1 – A2 – A3

<b>SESSION A1:</b>		<b>09:30 – 11:00, Room 2002</b>
<b>Session Chair:</b>	<b>Hossein Kazemi, University of Massachusetts</b>	

Integrating Multiple Commodities in a Model of Stochastic Price Dynamics

*Presenter: Raphael Paschke, University of Mannheim*

*Discussant: Constantin Mellios, University Paris 1*

Optimal Dynamic Strategies in Commodity Futures Markets with a Stochastic Convenience Yield

*Presenter: Constantin Mellios, University Paris 1*

*Discussant: Vincent Milhau, EDHEC Risk and Asset Management Research Centre*

<b>SESSION A2:</b>		<b>09:30 – 11:00, Room 2003</b>
<b>Session Chair:</b>	<b>Niall O’Sullivan, University College Cork</b>	

The Impact of Manager Changes on Fund Performance

*Presenter: Natasha Todorovic, Cass Business School*

*Discussant: Niall O’Sullivan, University College Cork*

Fund Managers' Institutional Background and the Birth of Investment Management Companies

*Presenter: Robert Faff, Monash University*

*Discussant: Felix Goltz, EDHEC Risk and Asset Management Research Centre*

<b>SESSION A3:</b>		<b>09:30 – 11:00, Room 2005</b>
<b>Session Chair:</b>	<b>René Garcia, EDHEC Business School</b>	

Risk Management with Value-at-Risk and Stress Testing: An Alternative to Conditional Value-at-Risk?

*Presenter: Gordon J. Alexander, University of Minnesota*

*Discussant: René Garcia, EDHEC Business School*

Improved Forecasts of Higher-Order Comoments and Implications for Portfolio Selection

*Presenter: Volker Ziemann, EDHEC Risk and Asset Management Research Centre*

11:00 – 11:30am **Coffee Break**

**Room 2029**

11:30am – 1:00pm **Presentations (3 parallel sessions)**

Sessions B1 – B2 – B3

<b>SESSION B1:</b>		<b>11:30 – 01:00, Room 2002</b>
<b>Session Chair:</b>	<b>Joëlle Miffre, EDHEC Business School</b>	

Commodities and Equities: A "Market of One?"

*Presenter: Bahattin Buyuksahin, U.S. CFTC University*

*Discussant: Joëlle Miffre, EDHEC Business School*

The value premium and time-varying idiosyncratic risk

*Presenter: Joëlle Miffre, EDHEC Business School*

*Discussant: Natasha Todorovic, Cass Business School*

<b>SESSION B2:</b>		<b>11:30 – 01:00, Room 2003</b>
<b>Session Chair:</b>	<b>Devraj Basu, EDHEC Risk and Asset Management Research Centre</b>	

Portfolio Performance Measurement: A No Arbitrage Bounds Approach

*Presenter: Stéphane Chrétien, Laval University*

*Discussant: Devraj Basu, Risk and Asset Management Research Centre*

Mutual Fund Performance: Skill or Luck?

*Presenter: Niall O'Sullivan, University College Cork*

*Discussant: Nicolas Papageorgiu, HEC Montreal*

<b>SESSION B3:</b>		<b>11:30 – 01:00, Room 2005</b>
<b>Session Chair:</b>	<b>Thorsten Lehnert, Maastricht University</b>	

A New Approach for Estimating the Equity Premium based on Credit Valuations

*Presenter: Tobias Berg, Technical University Munich*

*Discussant: Marie Briere, Credit Agricole Asset Management*

Dependence Structure and Extreme Comovements in International Equity and Bond Markets with Portfolio Diversification Effects

*Presenter: René Garcia, EDHEC Business School*

*Discussant: Laurent Bodson, HEC Management School - University of Liege*

01:15 – 2:30pm      **Lunch**      **Amphi 0001**

2:30 – 4:00pm      **Presentations (3 parallel sessions)**      Sessions C1 – C2 – C3

<b>SESSION C1:</b>		<b>2:30 – 4:00, Room 2002</b>
<b>Session Chair:</b>	<b>Robert Faff, Monash University</b>	

New Paradigms in Stock Market Indexing

*Presenter: Derek Jun, Princeton University*

*Discussant: Robert Faff, Monash University*

The Performance of Fundamentally Weighted Indices

*Presenter: Félix Goltz, EDHEC Risk and Asset Management Research Centre*

*Discussant: Robert Faff, Monash University*

<b>SESSION C2:</b>		<b>2:30 – 4:00, Room 2003</b>
<b>Session Chair:</b>	<b>Volker Ziemann, EDHEC Risk and Asset Management Research Centre</b>	

Determining and Forecasting High-Frequency Value at Risk by Using Levy Processes

*Presenter: Wei Sun, University of Karlsruhe*

*Discussant: Volker Ziemann, EDHEC Risk and Asset Management Research Centre*

Estimating Asset Correlations From Stock Prices or Default Rates--Which Method is Superior?

*Presenter: Klaus Duellmann, Deutsche Bundesbank*

*Discussant: Volker Ziemann, EDHEC Risk and Asset Management Research Centre*



<b>SESSION C3:</b>		<b>2:30 – 4:00, Room 2005</b>
<b>Session Chair:</b>	<b>Daniel Haguët, EDHEC Business School</b>	

Can Sentiment be predicted to have Cross-Sectional Effects?

*Presenter: Thorsten Lehnert, Maastricht University*

*Discussant: Joëlle Miffre, EDHEC Business School*

Disposition bias and overconfidence in institutional trades  
*Presenter: Dries Heyman, Ghent University*

4:00 – 4:30pm	Coffee Break		Room 2029
4:30 – 6:00pm	Keynote presentation – Robert Arnott, Research Affiliates, LLC		Amphi 0002
7:45pm 8:45pm	COCKTAIL GALA DINNER	 	Château de la Chèvre d'Or, Eze

<b>Saturday 19<sup>th</sup> April 2008</b>
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08:30 – 10:00am **Presentations (3 parallel sessions)** Sessions D1 – D2 – D3

<b>SESSION D1:</b>		<b>08:30 – 10:00, Room 2002</b>
<b>Session Chair:</b>	<b>Devraj Basu, EDHEC Risk and Asset Management Research Centre</b>	

Does Noise Create the Size and Value Effects?  
*Presenter: Jason Hsu, Research Affiliates, LLC*  
*Discussant: Stéphane Chrétien, Laval University*

Total Volatility and the Cross Section of Expected Stock Returns  
*Presenter: Devraj Basu, EDHEC Risk and Asset Management Research Centre*  
*Discussant: Ming-Yuan Li, National Cheng Kung University*

<b>SESSION D2:</b>		<b>08:30 – 10:00, Room 2003</b>
<b>Session Chair:</b>	<b>Nicolas Papageorgiu, HEC Montreal</b>	

Compensation Option, Managerial Incentive, and Risk-Shifting in Hedge Funds  
*Presenter: Hossein Kazemi, University of Massachusetts*  
*Discussant: Nicolas Papageorgiu, HEC Montreal*

Does Idiosyncratic Risk Matter in Hedge Fund? Institutional Investor's View  
*Presenter: Sam Chung, Long Island University*  
*Discussant: Felix Goltz, EDHEC Risk and Asset Management Research Centre*

<b>SESSION D3:</b>		<b>08:30 – 10:00, Room 2005</b>
<b>Session Chair:</b>	<b>Natasha Todorovic, Cass Business School</b>	

Do Leveraged Credit Derivatives Modify Credit Asset Allocation?  
*Presenter: Marie Briere, Credit Agricole Asset Management*  
*Discussant: Klaus Duellmann, Deutsche Bundesbank*

Do Inflation-Linked Bonds Still Diversify?  
*Presenter: Marie Briere, Credit Agricole Asset Management*  
*Discussant: Natasha Todorovic, Cass Business School*

10:00 – 10:30am **Coffee Break**

**Room 2029**

10:30 – 12:00am **Presentations (3 parallel sessions)**

Sessions D1 – D2 – D3

<b>SESSION E1:</b>		<b>10:30 – 12:00, Room 2002</b>
<b>Session Chair:</b>	<b>Gordon J. Alexander, University of Minnesota</b>	

Portfolio Construction with Downside Risk

*Presenter: Harald Lohre, Union Investment Institutional GmbH*

*Discussant: Gordon J. Alexander, University of Minnesota*

TEV Sensitivity to Views in Black-Litterman Model

*Presenter: Maria Debora Braga, University Valle d'Aosta*

*Discussant: Volker Ziemann, EDHEC Risk and Asset Management Research Centre*

<b>SESSION E2:</b>		<b>10:30 – 12:00, Room 2003</b>
<b>Session Chair:</b>	<b>Hossein Kazemi, University of Massachusetts</b>	

Dynamic Hedge Fund Style Analysis with Errors in Variables

*Presenter: Laurent Bodson, HEC Management School - University of Liege*

*Discussant: Hossein Kazemi, University of Massachusetts*

Replicating the statistical properties of hedge fund returns

*Presenter: Nicolas Papageorgiu, HEC Montreal*

*Discussant: Lionel Martellini, EDHEC Business School*

<b>SESSION E3:</b>		<b>10:30 – 12:00, Room 2005</b>
<b>Session Chair:</b>	<b>Joëlle Miffre, EDHEC Business School</b>	

Predictability and 'Good Deals' in Currency Markets

*Presenter: Valerio Poti, Dublin City University*

*Discussant: Ming-Yuan Li, National Cheng Kung University*

Change in Regime and Optimal Domestic-Global Portfolio Diversification

*Presenter: Ming-Yuan Li, National Cheng Kung University*

*Discussant: René Garcia, EDHEC Business School*

From 12:00

**Lunch**

**Amphi 0001**

**Thanks**

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