

22nd Annual Derivatives Securities and Risk Management Conference

March 30 – 31, 2012

L. William Seidman Center
3501 Fairfax Drive
Hove Auditorium - A-3125
Arlington, Virginia

Sponsored by Federal Deposit Insurance Corporation's Center for Financial Research
Cornell University's Johnson Graduate School of Management
University of Houston's Bauer College of Business

8:00-8:25 **Registration & Breakfast**

8:25–8:30 **Welcoming Remarks**

8:30–10:00 **Systemic Risk**

Derivatives Holdings and Systemic Risk in the U.S. Banking Sector

María Rodríguez Moreno, Universidad Carlos III de Madrid
Sergio Mayordomo, Comisión Nacional del Mercado de Valores (CNMV)
Juan Ignacio Peña, Universidad Carlos III de Madrid

Credit Risk Spillovers among Financial Institutions around the Global Credit Crisis: Firm-Level Evidence

Jian Yang, University of Colorado, Denver
Yinggang Zhou, Chinese University of Hong Kong

CoCos, Bail-In, and Tail Risk

Nan Chen, Chinese University of Hong Kong
Paul Glasserman, Columbia University and Office of Financial Research
Behzad Nouri, Columbia University

10:00-10:30

-- Break --

10:30-12:00

Investor Order Flow and Asset Price Dynamics

New Evidence on the Financialization of Commodity Markets

Brian J. Henderson, George Washington University
Neil D. Pearson, University of Illinois at Urbana-Champaign
Li Wang, University of Illinois at Urbana-Champaign

Does Option Trading Convey Stock Price Information?

Jianfeng Hu, Baruch College and Risk Management Institute, National University of Singapore

[On the \(Mis\) Use of Conditional Value-at-Risk and Spectral Risk Measures for Portfolio](#)

Selection –A Comparison with Mean-Variance Analysis

Mario Brandtner, Friedrich Schiller University of Jena

12:00-1:30

-- Lunch --

1:30-3:00

Asset Pricing I

Yes, U.S. Stocks are Getting Riskier

Gregory W. Brown, University of North Carolina at Chapel Hill
William Waller, University of North Carolina at Chapel Hill

Internationally Correlated Jumps

Kuntara Pukthuanthong, San Diego State University
Richard Roll, University of California Los Angeles

Pricing and Hedging Multi-Asset Derivatives in Contagious Markets

Peter Carr, Courant Institute, New York University
Thomas Kokholm, Aarhus University

3:00-3:30 -- Break --

3:30-5:00

Credit Spreads

Accounting Information Releases and CDS Spreads

Redouane Elkamhi, University of Toronto

Kris Jacobs, University of Houston and Tilburg University

Hugues Langlois, McGill University

Chayawat Ornthanalai, Georgia Institute of Technology

Are credit default swaps a sideshow? Evidence that information flows from equity to CDS

markets

Jens Hilscher, Brandeis University

Joshua M. Pollet, Michigan State University

Mungo Wilson, Oxford University

Short-Run Bond Risk Premia

Philippe Mueller, London School of Economics

Andrea Vedolin, London School of Economics

Hao Zhou, Federal Reserve Board

Economic Catastrophe Bonds: Inefficient Market or Inadequate Model?

Haitao Li, University of Michigan

Feng Zhao, University of Texas at Dallas

5:45-7:00 -- Reception --

Saturday, March 31, 2012

8:00-8:30 -- Breakfast--

8:30-10:00

Risk Management

Are Credit Ratings Still Relevant?

Sudheer Chava, Georgia Institute of Technology

Rohan Ganduri, Georgia Institute of Technology

Chayawat Ornthanalai, Georgia Institute of Technology

[Fine-Tuning a Corporate Hedging Portfolio– The Case of an Airline Company](#)

Mathias Gerner, University of Texas at Austin

Ehud I. Ronn, University of Texas at Austin

Using Cross-Entropy to Improve Copula-Based Measures of Credit Risk

Paul Kupiec, Federal Deposit Insurance Corporation

10:00-10:30 --- Break --

10:30-12:00 **Asset Pricing II**

Stochastic Time-Changes of Default Intensity Models: Pricing and Estimation

Ovidiu Costin, Ohio State University

Michael B. Gordy, Federal Reserve Board

Min Huang, University of Chicago

Pawel Szerszen, Federal Reserve Board

The Role of Volatility Shocks and Rare Events in Long-Run Risk Models

Nicole Branger, University of Münster

Paulo Rodrigues, Maastricht University
Christian Schlag, Goethe University

**Sequential Parameter Learning and State Filtering of Jump-Diffusion Models: A
New**

Approach

Jing-zhi Huang, Penn State University
Li Xu, Stanford University

12:00-1:30

Adjourn – box lunch available