

Financial Econometrics Conference to mark Stephen Taylor's Retirement

Lancaster University, UK, March 29 – 31, 2023

PROGRAMME

Presentations: 25 minutes followed by 5 minutes general discussion. Speakers and session chairs should meet in the lecture theatre at least 5 minutes before their session.

Wednesday, 29th March 2023

09:00-10:00 Conference Registration & Coffee – LT2 & 3 Breakout Space

10:00-10:25 **Welcome and Logistics:**
Prof. Steve Bradley, Deputy Vice-Chancellor, Lancaster University

SESSION 1 (Parallel)

10:30-12:00 **Parallel Session 1A: Volatility I**

Chair: Ser-Huang Poon, Support: Marco Cinquetti, Room: LT 1

Hugo Schyns, Maastricht University

A Neural Network with Shared Dynamics for Multi-Step Prediction of Value-at-Risk and Volatility (with Nalan Baştürk and Peter C. Schotman, Maastricht University)

Kefu Liao, Cardiff University

Forecasting volatility using drift burst information (with Kevin P. Evans and Dudley Gilder, Cardiff University)

Ser-Huang Poon, University of Manchester

Realised Volatility Forecasting: Machine Learning via Financial Word Embedding (with Eghbal Rahimikia, University of Manchester and Stefan Zohren, University of Oxford)

10:30-12:00 **Parallel Session 1B: Machine Learning**

Chair: Jantje Sönksen, Support: Berke Erdis, Room: LT 2

Maurizio Daniele, ETH Zürich

Deep Learning with Non-Linear Factor Models: Adaptability and Avoidance of Curse of Dimensionality (with Mehmet Caner, North Carolina State University)

Xin He, Hunan University

Asset Pricing with Panel Tree under Global Split Criteria (with Lin William Cong, Cornell University, Guanhao Feng and Jingyu He, City University of Hong Kong)

Jantje Sönksen, University of Tübingen

Diverging roads: Theory-based vs. machine learning-implied stock risk premia (with Joachim Grammig, Constantin Hanenberg, University of Tübingen and Christian Schlag, Goethe University Frankfurt)

12:00- Lunch Break and **Poster Session I** – LT2 & 3 Breakout Space “Poster Area”
13:30

Room: LT1 – Keynote – SESSION 2 (Plenary)

Chair: Sandra Nolte, Support: Shifan Yu

13:30- **Keynote Speech**
14:30 **Torben Andersen, Northwestern University**
Real-Time Detection of Local No-Arbitrage Violations

14:30- Coffee Break
15:00

SESSION 3 (Parallel)

15:00- **Parallel Session 3A: Jumps**
17:00 *Chair: Ping Chen Tsai, Support: Marco Cinquetti, Room: LT 1*
Hasan Fallahgoul, Monash University
Investor Disagreement: The Secret Fuel Behind Stock Price Jumps (with Xin Lin, Monash University)

Siliang Wei, University of Manchester
Reddit WallStreetBets Influencers (with Yoichi Otsubo and Ser-Huang Poon, University of Manchester)

Alfonso Silva-Ruiz, University of Manchester
Understanding Forex Crashes (with Aleksey Kolokolov, S. Sarah Zhang, and Olga Kolokolova, University of Manchester)

Ping Chen Tsai, National Sun Yat-sen University
State-dependent Intra-day Volatility Pattern and Its Impact on Price Jump Detection - Evidence from International Equity Indices (with Cheoljun EOM, Pusan National University)

15:00- **Parallel Session 3B: Asset Pricing I**
17:00 *Chair: Dobrislav Dobrev, Support Berke Erdis, Room: LT 2*
Alain-Philippe Fortin, University of Geneva
Eigenvalue tests for the number of latent factors in short panels (with Patrick Gagliardini, Università della Svizzera italiana and Olivier Scaillet, University of Geneva)

Jorge Wolfgang Hansen, Aarhus University
Immunitization with consistent term structure dynamics (with Daniel Borup and Bent Jesper Christensen, Aarhus University)

Jiri Woschitz, BI Norwegian Business School
Robust difference-in-differences analysis when there is a term structure (with Kjell G. Nyborg, University of Zurich)

Dobrislav Dobrev, Board of Governors of the Federal Reserve System
A Randomized Missing Data Approach to Robust Filtering and Forecasting (with Derek Hansen, Board of Governors of the Federal Reserve System and Pawel Szerszen, University of Michigan)

Drinks Reception

18:00 – 19:30 Drinks & Canapes
Lancaster House Hotel (opposite Lancaster University Management School) LA1 4GJ

Thursday, 30th March 2023

Room: LT1 – Keynote – SESSION 4 (Plenary)

Chair: Ingmar Nolte, Support: Shifan Yu

09:00- **Keynote Speech**

10:00 **Kim Christensen, Aarhus University**

A GMM approach to estimate the roughness of stochastic volatility

10:00- Coffee Break

10:30

SESSION 5 (Parallel)

10:30- **Parallel Session 5A: Volatility II**

12:00

Chair: Siem Jan Koopman, Support: Marco Cinquetti, Room: LT 1

Yifan Li, University of Manchester

Beyond the Candlestick Chart: The Maximal Range-Return Divergence Statistic (with Ingmar Nolte and Sandra Nolte, Lancaster University)

Jean-Marie Dufour, McGill University

Practical estimation methods for high-dimensional multivariate stochastic volatility models Statistic (with Md. Nazmul Ahsan, CIRANO)

Siem Jan Koopman, Vrije Universiteit Amsterdam

Stochastic Volatility with Stable Errors: Estimation, Filtering and Forecasting (with Francisco Blasques and Karim Moussa, Vrije Universiteit Amsterdam)

10:30- **Parallel Session 5B: Asset Pricing II**

12:30

Chair: Liyuan Cui, Support: Berke Erdis, Room: LT 2

Georgios Sermpinisc, University of Glasgow

Informative Covariates, False Discoveries and Mutual Fund Performance (with Po-Hsuan Hsua, National Tsing Hua University, Ioannis Kyriakoub, City University of London and Tren Mac, University of Glasgow)

Chuanping Sun, City University of London

Factor Correlation and the Cross Section of Asset Returns: a Correlation-robust Approach

Alfonso Valdesogo, Universitat de les Illes Balears

Hedge Fund Investment: Optimal Portfolios with Regime-Switching (with Andreas Heinen, CY Cergy Paris Université)

Liyuan Cui, City University of Hong Kong

Regularized GMM for Time-Varying Models with Applications to Asset Pricing (with Guanhao Feng and Yongmiao Hong, City University of Hong Kong)

12:30- Lunch Break and **Poster Session II** – LT2 & 3 Breakout Space “Poster Area”

14:00

SESSION 6 (Parallel)

14:00- **Parallel Session 6A: Time Series**

16:00

Chair: A.M. Robert Taylor, Support: Marco Cinquetti, Room: LT 1

Clint Howard, University of Technology Sydney

To lead or to lag? Measuring asynchronicity in financial time-series using dynamic time warping (with Talis J. Putnins and Vitali Alexeev, University of Technology Sydney)

Francesco Cordoni, Royal Holloway University of London

Consistent Causal Inference for High Dimensional Time Series (with Alessio Sancetta, Royal Holloway University of London)

London)

Alexander J. McNeil, University of York

Semiparametric forecasting using non-Gaussian ARMA models based on s-vines (with Martin Bladt, University of Copenhagen Alexandra Dias and Jialing Han, University of York)

A.M. Robert Taylor, University of Essex

Bonferroni-Type Tests for Return Predictability with Possibly Trending Predictors (with Sam Astill, University of Essex, David I. Harvey and Stephen J. Leybourne, University of Nottingham)

14:00- **Parallel Session 6B: Asset Pricing III**

16:00

Chair: Daniele Bianchi, Support: Berke Erdis, Room: LT 2

Tianzong Wang, University of Manchester

Mispricing, Learning, and Price Discovery (with Stuart Hyde and Sungjun Cho, University of Manchester)

Sicong Li, London Business School

Asset-Pricing Factors with Economic Targets (with Svetlana Bryzgalova, Victor DeMiguel, London Business School and Markus Pelger, Stanford University)

Yizhi Song, City University of Hong Kong

Deep Tangency Portfolios (with Guanhao Feng, Yizhi Song, Liang Jiang and Junye Li, Fudan University)

Daniele Bianchi, Queen Mary University of London

Smoothing volatility targeting (with Mauro Bernardi and Nicolas Bianco, University of Padova)

Conference Dinner

17:30 – Coach departs outside LUMS for Lancaster Golf Club, Lancaster, LA2 0AJ

17:45 – Welcome Drinks

18:30 – Conference Dinner

22:00 – Coach Depart for LUMS

Friday, 31st March 2023

Room: LT1 – Keynote – SESSION 7 (Plenary)
Chair: Mark Shackleton, Support: Shifan Yu

09:00- **Keynote Speech**
10:00 **Neil Shephard, Harvard University**
A robust high frequency financial econometrics

10:00- Coffee Break
10:30

SESSION 8 (Parallel)

10:30- **Parallel Session 8A: Options+**
12:30 **Chair: Mattia Bevilacqua, Support: Marco Cinquetti, Room: LT 1**

Hamed Ghanbari, University of Lethbridge
Short-Term Market Risks Implied by Weekly Options: An Alternative Perspective (with Michal Czerwonko, Nazarbayev University and Stylianos Perrakis, Concordia University)

Ion Lucas Saru, Vrije Universiteit Amsterdam
Who Knows? Information Differences Between Trader Types (with Albert J. Menkveld, Vrije Universiteit Amsterdam)

Mattia Bevilacqua, University of Liverpool
Uncovering the Asymmetric Information Content of High-Frequency Options (with Lykourgos Alexiou and Rodrigo Hizmeri, University of Liverpool)

10:30- **Parallel Session 8B: Risk**
12:30 **Chair: Liyuan Cui, Support: Berke Erdis, Room: LT 2**

Jordi Llorens-Terrazas, Universitat Pompeu Fabra
An Oracle Inequality for Multivariate Dynamic Quantile Forecasting

Rodrigo Hizmeri, University of Liverpool
Tail risk and asset prices in the short-term (Caio Almeida, Princeton University, Gustavo Freire, Erasmus University Rotterdam and René Garcia, Université de Montréal)

Anne Opschoor, Vrije Universiteit Amsterdam
Tail Heterogeneity for Dynamic Covariance-Matrix-Valued Random Variables Using the F-Riesz Distribution (with Francisco Blasques, Andre Lucas, Vrije Universiteit Amsterdam and Luca Rossini, University of Milan)

Anne-Florence Allard, University of Bristol
Measures of Fragility for Tail Risk Models (with Claudia Chmielowska, Bocconi University, Massimo Guidolin, University of Liverpool and Manuela Pedio, University of Bristol)

12:30- Lunch Break – LT2 & 3 Breakout Space
14:00

SESSION 9 (Parallel)

14:00- **Parallel Session 9A: Factors**
15:00 **Chair: Raman Uppal, Support: Marco Cinquetti, Room: LT 1**

Rasmus Lönn, Erasmus University Rotterdam
Empirical asset pricing with many assets and short time series (with Peter C. Schotman, Maastricht University)

Vasilas Nikolas, Lancaster University
Better Factors (with Harald Lohre, Robeco, Anastasios Kagkadis, Ingmar Nolte, Sandra Nolte, Lancaster University)

Raman Uppal, EDHEC Business School

What is Missing in Asset-Pricing Factor Models? (with Massimo Dello Preite, Imperial College London, Paolo Zaffaroni, Imperial College London; Irina Zviadadze, HEC Paris)

14:00- **Parallel Session 9B: Volatility III**

16:00

Chair: Albert J. Menkveld, Support: Berke Erdis, Room: LT 2

Aleksey Kolokolov, University of Manchester

An unbounded intensity model for point processes (with Kim Christensen, Aarhus University)

Marco Kerkemeier, University of Hagen

New stylized facts of financial exuberance periods (with Robinson Kruse-Becher, University of Hagen and Christoph Wegener, Leuphana University Lüneburg)

Sarah Zhang, University of Manchester

Non-Standard Errors (with et. al.)

16:00 **End of Conference**

POSTER SESSION I

Wednesday, 29th March 2023

Hamid Babaei, HEC Liege

Co-movement dynamics and disruptions of the major stock markets (with Georges Hübner, HEC Liege)

Matej Nevrla, Charles University

Common Idiosyncratic Quantile Risk (with Jozef Barunik, Charles University)

Robinson Kruse-Becher, University of Hagen

Improving financial volatility nowcasts (with Yuze Liu, University of Hagen)

Niels Marijnen, University of Amsterdam

Characteristic function-based factor modelling of affine jump diffusions using options

Evgenii Vladimirov, University of Amsterdam

iCOS: Option-Implied COS method

Sicong (Allen) Li, London Business School

Comparing Factor Models with Price-Impact Costs (with Victor DeMiguel, London Business School and Alberto Martin-Utrera, Iowa State University)

Shifan Yu, Lancaster University

Nonparametric Range-Based Estimation of Integrated Variance with Episodic Extreme Return Persistence (with Yifan Li, University of Manchester, Ingmar Nolte, Lancaster University and Sandra Nolte, Lancaster University)

POSTER SESSION II
Thursday, 30th March 2023

Lukas Salcher, University of Liechtenstein

Breaking Bad: Parameter Uncertainty Caused by Structural Breaks in Stocks (with Sebastian Stöckl, University of Liechtenstein)

Dario Palumbo, University Ca' Foscari of Venice

Dynamic Calibration and Combination of Models Predictions? (with Roberto Casarin, Ca' Foscari University of Venice and Francesco Ravazzolo, BI Norwegian Business School)

Robert Ślepaczuk, University of Warsaw

Daily and intraday application of various architectures of the LSTM model in algorithmic investment strategies on Bitcoin and the S&P 500 Index (with Katarzyna Kryńska, University of Warsaw)

Simon Trimborn, University of Amsterdam

Influencer Detection meets Network AutoRegression – Influential Regions in the Bitcoin Blockchain (with Hanqiu Peng and Ying Chen, National University of Singapore)

Lazaros Symeonidis, University of Essex

The Dynamics of Storage Costs (with Andrei Stancu, Newcastle University, Chardin Wese Simen, University of Liverpool and Lei Zhao, ESCP Business School)

Chardin Wese Simen, University of Liverpool

The Index Effect: Evidence from the Option Market (with Fabian Hollstein, University Hannover)

Illia Kovalenko, University of Limerick

A Financial Modeling Approach to Industry Exchange-Traded Funds Selection (with Thomas Conlon, John Cotter, University College Dublin and Thierry Post, Nazarbayev University)