



**4th International Symposium
in Computational Economics and Finance (ISCEF)
April, 14-16, 2016, Paris**

**4th International Symposium
in Computational Economics and Finance (ISCEF)
April, 14-16, 2016, Paris**

KEYNOTE SPEAKERS

Professor Hans AMMAN (University of Amsterdam, The Netherlands)
Professor Bruce HANSEN (University of Wisconsin-Madison, The USA)
Professor Søren JOHANSEN (University of Copenhagen, Denmark)
Professor. Barbara ROSSI (ICREA-Univ. Pompeu Fabra, Barcelona GSE
and CREI, Spain)
Professor Kenneth D. WEST (University of Wisconsin, The USA)

GUEST OF HONOR

Professor Katarina JUSELIUS (University of Copenhagen, Denmark)

ORGANIZERS

Dr. Hachmi BEN AMEUR (INSEEC, France)
Dr. Makram BELLALAH (University of Jules Verne Picardie, France)
Dr. Fredj JAWADI (University of Evry, France)

General Conference Program

Summary

Day 1: April, 14, 2016

08:00 AM – 9:00 AM: Late Registration & Reception

09:00 AM – 09:30 AM Conference Opening by the organizers (Room 1):

Dr. **Hachmi BEN AMEUR** (INSEEC Business School, France), Dr. **Makram BELLALAH** (University of Jules Verne Picardie, France), Dr. **Fredj JAWADI** (University of Evry, France)

09:30 AM – 10:30 AM Plenary Session 1 (Room 1)

Keynote Speaker 1: Professor Søren Johansen, University of Copenhagen and CREATES

“Optimal Hedging with the Cointegrated Vector Autoregressive Model”

10:30 AM – 10:45 AM Poster Sessions & Coffee Break

10:45 AM – 12:15 PM Parallel Sessions 1-4

SESSION 1: FINANCIAL MARKET DYNAMICS, ROOM 1

CHAIRMAN: Ye Bai (University of Nottingham, United Kingdom)

SESSION 2: COMPUTATIONAL MACROECONOMICS, ROOM 2

CHAIRMAN: Tom Kompas (Australian National University & University of Melbourne, Australia)

SESSION 3: DSGE MODELS, ROOM 3

CHAIRMAN: Serguei Maliar (Santa Clara University, USA)

SESSION 4: ASSET PRICING, ROOM 4

CHAIRMAN: Kashina Oksana (Lobachevsky State University of Nizhny Novgorod, Russia)

12:15 PM – 01:45 PM Lunch

01:45 PM – 02:45 PM Plenary Session 2 (ROOM 1)

Keynote Speaker 2: Professor Hans Amman, University of Amsterdam

“Approximating the Value Function for Optimal Experimentation”

02:45 PM – 04:15 PM

Parallel Sessions 5-8

SESSION 5: MACROECONOMETRICS DYNAMICS, ROOM 1

CHAIRMAN: Frédérique Bec (University of Cergy-Pontoise, France)

SESSION 6: APPLIED ECONOMETRICS, ROOM 2

CHAIRMAN: Katarina Juselius (University of Copenhagen, Denmark)

SESSION 7: BANKING AND INTEREST RATE DYNAMICS, ROOM 3

CHAIRMAN: Cândida Ferreira (Lisbon School of Economics and Management, Portugal)

SESSION 8: THEORETICAL AND FINANCIAL ECONOMETRICS, ROOM 4

CHAIRMAN: Bixi Jian (McGill University, Canada)

04:15 PM – 4:30 PM

Poster Sessions & Coffee Break

04:30 PM – 05:30 PM

Plenary Session 3 (ROOM 1)

Keynote Speaker 3: Professor Bruce Hansen, University of Wisconsin

“Stein Shrinkage for Vector Autoregressions”

05:45 PM – 07:15 PM

Parallel Sessions 9-12

SESSION 9: NONLINEAR DYNAMICS, ROOM 1

CHAIRMAN: Mathias Klein (TU Dortmund University RGS Econ, Germany)

SESSION 10: MACROECONOMIC DYNAMICS, ROOM 2

CHAIRMAN: Ivan Mendieta-Munoz (University of Kent, United Kingdom)

SESSION 11: MOONETARY POLICIES, ROOM 3

CHAIRMAN: Svetlana Makarova (University College London, United Kingdom)

SESSION 12: FINANCIAL MARKET DYNAMICS, ROOM 4

CHAIRMAN: Andreas Tsopanakis (University of Salford, United Kingdom)

Day 2: April 15, 2016

09:15 AM – 10:45 AM

Parallel Sessions 13-16

SESSION 13: INTERNATIONAL ECONOMICS, ROOM 1

CHAIRMAN: Hai-Chuan Xu (East China University of Science and Technology, China)

SESSION 14: ECONOMETRICS ISSUES, ROOM 2

CHAIRMAN: William Pouliot (University of Birmingham, United Kingdom)

SESSION 15: MACROECONOMIC DYNAMICS, ROOM 3

CHAIRMAN: Diego Vilán (Federal Reserve Board, USA)

SESSION 16: FINANCIAL MARKET DYNAMICS, ROOM 4

CHAIRMAN: Barbara Rudolf (SNB Zurich, Switzerland)

10:45 AM – 11:00 AM Poster Sessions & Coffee Break

11:00 AM – 12:00 PM Plenary Session 4, Room 1

Keynote Speaker 4: Professor Kenneth D. West, University of Wisconsin

“Approximate Bias in Time Series Regression”

12:00 PM – 01:45 PM Lunch

01:45 PM – 02:45 PM Plenary Session 5, Room 1

**Keynote Speaker 5: Professor Barbara Rossi, ICREA-Univ. Pompeu Fabra,
Barcelona GSE and CREI**

“Understanding the Sources of Macroeconomic Uncertainty”

02:45 PM – 04:15 PM Parallel Sessions 17-20

SESSION 17: BANKING AND MARKET MICROSTRUCTURE, ROOM 1

CHAIRMAN: Jacob Leal Sandrine (ICN Business School, France)

SESSION 18: FORECASTING, ROOM 2

CHAIRMAN: Andreas Pick (Erasmus University Rotterdam, Netherlands)

SESSION 19: COMPUTATIONAL ECONOMICS AND STATISTICS, ROOM 3

CHAIRMAN: Lasse de la Porte Simonsen (University of London, United Kingdom)

SESSION 20: HETEROGENEOUS AGENT ECONOMIES, ROOM 4

CHAIRMAN: Jelonek Piotr (University of Warwick, United Kingdom)

04:15 PM – 4:30 PM Poster Sessions & Coffee Break

4:30 PM – 6:00 PM Parallel Sessions 21-24

SESSION 21: FINANCIAL MARKETS DYNAMICS (2), ROOM 2

CHAIRMAN: Jean-Luc Prigent (University of Cergy-Pontoise, France)

SESSION 22: ECONOMETRICS MODELING, ROOM 3

CHAIRMAN: Ana-Maria H. Dumitru (University of Surrey, United Kingdom)

SESSION 23: MACRECONOMIC DYNAMICS, ROOM 1

CHAIRMAN: Enchuan Shao (University of Saskatchewan, Canada)

**SESSION 24: ECONOMETRIC MODELING IN ECONOMICS AND FINANCE,
ROOM 1**

CHAIRMAN: Alistair Matthew Dieppe (European Central Bank, Germany)

6:00 PM – 7:00 PM MEETING WITH EDITORS

Professor Hans AMMAN, Editor of *Computational Economics*
Professor Bruce HANSEN, Former Co-Editor of *Econometric Theory* and
Associate Editor at *Econometrica*

Professor Bruce McGOUGH, Co-editor of *Economic Inquiry*
Professor. Barbara ROSSI, Editor of *Journal of Applied Econometrics*
Professor Kenneth D. WEST, Editor of *Journal of Money, Credit and
Banking*, Advisory Editor of *Macroeconomic Dynamics*

8:00 PM Dinner in the Conference Hotel

Day 3: April 16, 2016

08:30 AM – 10:00 AM Parallel Sessions 25-28

SESSION 25: FINANCIAL MARKETS, ROOM 1

CHAIRMAN: Simone Righi (University of Bologna, Italy, Hungarian Academy of Sciences, Hungary)

SESSION 26: PORTFOLIO AND MONETARY POLICY, ROOM 2

CHAIRMAN: Enrique Martinez-Garcia (Federal Reserve Bank of Dallas, USA)

SESSION 27: COMPUTATIONAL ECONOMICS AND STATISTICS, ROOM 2

CHAIRMAN: Shu- Heng Chen (National Chengchi University Taipei, Taiwan)

SESSION 28: FINANCIAL MARKET DYNAMICS, ROOM 2

CHAIRMAN: Ricardo M. Sousa (University of Minho, Portugal; London School of Economics, United Kingdom)

10:15 AM – 10:30 AM Poster Sessions & Coffee Break

10:30 AM – 11:00 PM Information about Special Issues and Conference Closing

Dr. **Hachmi BEN AMEUR** (INSEEC, France), Dr. **Makram BELLALAH** (University of Jules Verne Picardie, France), Dr. **Fredj JAWADI** (University of Evry, France)

Program for Poster Sessions

Detailed Conference Program

Day 1: April, 14, 2016

08:00 AM – 9:00 AM: Late Registration & Reception

09:00 AM – 09:30 AM **Conference Opening by the organizers (Room 1):**

Dr. **Hachmi BEN AMEUR** (INSEEC Business School, France), Dr. **Makram BELLALAH** (University of Jules Verne Picardie, France), Dr. **Fredj JAWADI** (University of Evry, France)

Keynote Speaker 1: Professor Søren Johansen (University of Copenhagen and CREATES)

I was born 6 November 1939 and finished Gymnasium in 1958. In 1964 I graduated from the University of Copenhagen in mathematical statistics. Since 1964 I have been working at University of Copenhagen, Institute of Mathematical Statistics and since 1989 as professor. In 1967 I obtained the Gold medal from University of Copenhagen for the thesis "An application of extreme point methods in probability" and in 1974, I became dr. phil. with the thesis "The embedding problem for Markov chains". In 1997 I received an award from Dir. Ib Henriksens Fund, for outstanding research, and in 1993-1996 I became the most cited European economist, see R. Eichenberger and B. Frey (2000), and 1990-2000 the most cited researcher in the world in economic journals, see T. Coupé (2003, JEEA, Table 10). I am a member of The Royal Danish Academy of Sciences and Letters. Honorary member of Danish Society for Theoretical Statistics and recently a member of Academia Europaea. From 1996-2001 I was on leave from the University of Copenhagen to take up a temporary position as professor of econometrics at the Department of Economics, European University Institute, Florence. In 2006 I retired from Department of Mathematical Sciences at University of Copenhagen, and from 2007 I have been working part time at Department of Economics University of Copenhagen, and from April 2007 part time at CREATES (Center for Research in Econometric Analysis of Time Series), Aarhus University. I have been a member of Institute of Mathematical Statistics (IMS) since 1964 and fellow since 1973. In 1976 I was elected member of International Statistical Institute (ISI). I am a fellow of Econometric Society.

I have worked on the Committee on Statistics in the Physical Sciences 1978-81 and on the Committee on Fellows of the IMS 1982-85 and 1990-1993. I was elected a member of the Council for the Bernoulli Society 1989-1993. In the period 1974-1981 I was associate editor of Annals of Statistics and Annals of Probability and in 1985-1986 associate editor of Scandinavian Journal of Statistics and editor 1986-1990. From 1990-2005 I have been associate editor of Econometric Theory, and from 1997-2005 associate editor of Econometrica. I have been chairman for the program committee for the 14th European Meeting of Statistics in Wroclaw 1981, chairman of the Bernoulli Society part of the program for the 45th session of the ISI in Amsterdam 1985 and have been chairman for the program committee for the 46th session of the ISI in Tokyo 1987. At various occasions I have been member of the program committee for the ESEM.

“Optimal Hedging with the Cointegrated Vector Autoregressive Model”**Abstract**

“We analyse the role of cointegration for the problem of hedging an asset using other assets, when the prices are generated by a Cointegrated Vector Autoregressive model (CVAR). We first note that if the price of the asset is nonstationary, the risk of keeping the asset diverges. We then derive the minimum variance hedging portfolio as a function of the holding period, h , and show that it approaches a cointegrating relation for large h , thereby giving a serious reduction in the risk. We then take into account the expected return and find the portfolio that maximizes the Sharpe ratio. We show that it also approaches a cointegration portfolio, with weights depending on the price of the portfolio. We illustrate the finding with a data set of electricity prices which are hedged by fuel prices. The main conclusion of the paper is that for optimal hedging, one should exploit the cointegrating properties for long horizons, but for short horizons more weight should be put on remaining part of the dynamics.”

10:30 AM – 10:45 AM **Poster Sessions & Coffee Break**
10:45 AM – 12:15 PM **Parallel Sessions 1-4**

SESSION 1: FINANCIAL MARKET DYNAMICS, ROOM 1

CHAIRMAN: Ye Bai (University of Nottingham, United Kingdom)

Paper Title (ID): Low Complexity Algorithmic Trading by Feedforward Neural Networks (112)

Authors: **Levendovszky János** (Pázmány Péter Catholic University and Budapest University of Technology, Hungary), I. Reguly (Pázmány Péter Catholic University, Hungary), A. Olah (Budapest University of Technology, Hungary) and A. Ceffer (Budapest University of Technology, Hungary)

Discussant: Martin Seneca (Bank of England, United Kingdom)

Paper Title (ID): Risk Shocks Close to Zero Lower Bound (140)

Authors: **Martin Seneca** (Bank of England, United Kingdom)

Discussant: Ye Bai (University of Nottingham, United Kingdom)

Paper Title (ID): An Empirical Analysis of Chinese Financial Market Liberalization Process (161)

Authors: **Ye Bai** (University of Nottingham, United Kingdom) and Darien Yan Pang Chow (University of Nottingham, United Kingdom)

Discussant: Levendovszky János (Pázmány Péter Catholic University and Budapest University of Technology, Hungary)

SESSION 2: COMPUTATIONAL MACROECONOMICS, ROOM 2

CHAIRMAN: Tom Kompas (Australian National University & University of Melbourne, Australia)

Paper Title (ID): In the search for the optimal path to establish a funded pension system (48)

Authors: **Joanna Tyrowicz** (National Bank of Poland University of Warsaw, Poland), Marcin Bielecki (University of Warsaw, Poland) and Krzysztof Makarski (Warsaw School of Economics National Bank of Poland, Poland) and Marcin Waniek (University of Warsaw, Poland)

Discussant: Agnieszka Markiewicz (Erasmus University Rotterdam, Netherlands)

Paper Title (ID): Top Incomes, Rising Inequality, and Welfa (51)

Authors: Kevin J. Lansing (FRB San Francisco, USA) and **Agnieszka Markiewicz** (Erasmus University Rotterdam, Netherlands)

Discussant: Tom Kompas (Australian National University & University of Melbourne, Australia)

Paper Title (ID): Building a Better Trade Model to Determine Local Effects: A Regional and Intertemporal GTAP Model (58)

Authors: **Tom Kompas** (Australian National University & University of Melbourne, Australia), Pham Van Ha (Australian National University, Australia), Hoa Thi Minh Nguyen (Australian National University, Australia) and Chu Hoang Long (Australian National University, Australia)

Discussant: Joanna Tyrowicz (National Bank of Poland University of Warsaw, Poland)

SESSION 3: DSGE MODELS, ROOM 3

CHAIRMAN: Serguei Maliar (Santa Clara University, USA)

Paper Title (ID): Fiscal Policy, Sectorial Allocation, and the Skill Premium: Explaining the Decline in Latin America's Income Inequality (145)

Authors: **Juan F. Guerra-Salas** (Central Bank of Chile, Chile)

Discussant: **Andrew Binning** (Monetary Policy Department, Norges Bank, Norway)

Paper Title (ID): Implementing the Zero Lower Bound in an Estimated Regime-Switching DSGE Model (82)

Authors: **Andrew Binning** (Monetary Policy Department, Norges Bank, Norway), Junior Maih (BI Norwegian Business School, Norway)

Discussant: **Serguei Maliar** (Santa Clara University, USA)

Paper Title (ID): Capital-Skill Complementarity Revisited: Insights from a General Equilibrium Unbalanced Growth Model (47)

Authors: Lilia Maliar (Stanford University, USA), **Serguei Maliar** (Santa Clara University, USA) and Inna Tsener (Universidad de las Islas Baleares, Spain)

Discussant: **Juan F. Guerra-Salas** (Central Bank of Chile, Chile)

SESSION 4: ASSET PRICING, ROOM 4

CHAIRMAN: Kashina Oksana (Lobachevsky State University of Nizhny Novgorod, Russia)

Paper Title (ID): The Effect of Heterogeneous Interactions among Traders in an Artificial Stock Market (98)

Authors: Kyubin Yim (Nonlinear and Complex System Laboratory, Republic of Korea)

Gabjin Oh (Chosun University, Republic of Korea) and Ayoung Park (Chosun University, Republic of Korea)

Discussant: **Xin Li** (University of Leicester, United Kingdom)

Paper Title (ID): The Role of Hormones in Financial Markets (76)

Authors: Subir Bose (University of Leicester, United Kingdom), Daniel Ladley (University of Leicester, United Kingdom) and **Xin Li** (University of Leicester, United Kingdom)

Discussant: **Kashina Oksana** (Lobachevsky State University of Nizhny Novgorod, Russia)

Paper Title (ID): Time-varying Walrasian Equilibrium under Exchange processes in the Stock Market: Current Share Prices Modeling and its Applications (143)

Authors: **Kashina Oksana** (Lobachevsky State University of Nizhny Novgorod, Russia)

Petrov Sergey (Lobachevsky State University of Nizhny Novgorod, Russia) Jean-Michel Sahut (HEG Fribourg - University of Applied Sciences Western Switzerland, Switzerland & IDRAC Business School, France)

Discussant: **Gabjin Oh** (Chosun University, Republic of Korea)

12:15 PM – 01:45 PM

Lunch

Keynote Speaker 2: Professor Hans Amman, University of Amsterdam

Hans Amman is the vice president of Amsterdam University of Applied Sciences and the University of Amsterdam and professor of Computational Economics at the Faculty of Economics and Business. Hans received his doctorate in 1989 from the University of Amsterdam for his research in the field of Computational Economics. He is the founding Editor-in-Chief of the international journal Computational Economics, former co-editor of Computational Management Science, and co-founder of the Society of Computational Economics of which is he was the President. Furthermore, he was the co-editor of the Handbook of Computational Economics, which appeared with North-Holland Publishers (Elsevier) in 1996. In June 1994 Hans organized the first international congress on Computational Economics and Finance. His theoretical research concerns computational economics and computational finance, numerical issues of stochastic control systems in economics and network economics.

“Approximating the Value Function for Optimal Experimentation”**Abstract**

In the economics literature there are two dominant approaches for solving models with optimal experimentation (also called active learning). The first approach is based on the value function and the second on an approximation method. In principle the value function approach is the preferred method. However, it suffers from the curse of dimensionality and is only applicable to small problems with a limited number of policy variables. The approximation method allows for a computationally larger class of models, but may produce results that deviate from the optimal solution. Our simulations indicate that when the effects of learning are limited, the differences may be small. However, when there is sufficient scope for learning, the value function solution is more aggressive in the use of the policy variable.

SESSION 5: MACROECONOMETRICS DYNAMICS, ROOM 1

CHAIRMAN: Frédérique Bec (University of Cergy-Pontoise, France)

Paper Title (ID): Fiscal Sustainability of Peripheral EMU Countries: Continued vs Transitory (163)

Authors: Jordi Paniagua (Catholic University of Valencia, Spain), **Juan Bautista Sapena Bolufer** (Catholic University of Valencia, Spain) and Cecilio Tamarit (University of Valencia, Spain)

Discussant: Ruey Yau (National Central University, Taiwan)

Paper Title (ID): Nowcasting Output Growth for Small Open Economies with a Mixed-Frequency Structural Model (139)

Authors: **Ruey Yau** (National Central University, Taiwan), C. James Hueng (Western Michigan University)

Discussant: Frédérique Bec (University of Cergy-Pontoise, France)

Paper Title (ID): Inflation Forecast Update Drivers: Menu or Observation Costs? (165)

Authors: **Frédérique Bec** (University of Cergy-Pontoise, France)

Discussant: Cecilio Tamarit (University of Valencia, Spain)

SESSION 6: APPLIED ECONOMETRICS, ROOM 2

CHAIRMAN: Katarina Juselius (University of Copenhagen, Denmark)

Paper Title (ID): Inequality, Mobility and the Financial Accumulation Process: A Computational Economic Analysis (30)

Authors: **Simone Righi** (University of Bologna, Italy, Hungarian Academy of Sciences, Hungary) and Yuri Biondi (CNRS - ESCP Europe, France)

Discussant: Stelios Karagiannis (European Commission, DG Joint Research Centre, Italy)

Paper Title (ID): Inequality and Growth: Why Physical and Human Capital Interactions Matter (141)

Authors: Nikos Benos (Department of Economics, University of Ioannina, University Campus, Greece.) and **Stelios Karagiannis** (European Commission, DG Joint Research Centre, Italy)

Discussant: Jacek Kot Lowski (National Bank of Poland and Warsaw School of Economics, Poland)

Paper Title (ID): Global or Domestic? Which shocks Drive Inflation in European Small Open Economies? (63)

Authors: **Aleksandra Halka** (National Bank of Poland, Poland) and **Jacek Kot Lowski** (National Bank of Poland and Warsaw School of Economics, Poland)

Discussant: Simone Righi (University of Bologna, Italy, Hungarian Academy of Sciences, Hungary)

SESSION 7: BANKING AND INTEREST RATE DYNAMICS, ROOM 3

CHAIRMAN: Cândida Ferreira (Lisbon School of Economics and Management, Portugal)

Paper Title (ID): The Management of Profitability in the Indian Banking Industry (**21**)

Authors: **Parnaudeau Miia** (ESSCA School of Management, France) and Shailendra Kumar Rai (Management Development Institute, India)

Discussant: **Shu-Hua Chen** (National Taipei University, Taiwan)

Paper Title (ID): The Credit Channel Transmission Mechanism and the Nonlinear Growth-Rate and Welfare Effects of Inflation and Alternative Taxes (**111**)

Authors: **Shu-Hua Chen** (National Taipei University, Taiwan)

Discussant: **Cândida Ferreira** (Lisbon School of Economics and Management, Portugal)

Paper Title (ID): The Relevance of the EU Banking Sector to Economic Growth (**16**)

Authors: **Cândida Ferreira** (ISEG, UL- Lisbon School of Economics and Management of the Universidade de Lisboa and UECE, Portugal)

Discussant: **Parnaudeau Miia** (ESSCA School of Management, France)

SESSION 8: THEORETICAL AND FINANCIAL ECONOMETRICS, ROOM 4

CHAIRMAN: Bixi Jian (McGill University, Canada)

Paper Title (ID): Long memory and Power Law in Coherency between Realized Volatility and Trading Volume (**25**)

Authors: **Gilles de Truchi** (University of Paris West Nanterre la Defense, France) and Georgiana-Denisa Banulescu (University of Orleans, France)

Discussant: **Attila Ceffer** (Budapest University of Technology, Hungary)

Paper Title (ID): Applying ICA and NARX Networks for Algorithmic Trading (**105**)

Authors: **Attila Ceffer** (Budapest University of Technology, Hungary), **Janos Levendovszky** (Budapest University of Technology, Hungary) and Norbert Fogarasi (Budapest University of Technology, Hungary)

Discussant: **Bixi Jian** (McGill University, Canada)

Paper Title (ID): High Dimensional Market Network Connectedness Measures: Multiple Horizons Granger Causality Structures (**20**)

Authors: **Bixi Jian** (McGill University, Canada) and Jean-Marie Dufour (McGill University, Canada)

Discussant: **Gilles de Truchi** (University of Paris West Nanterre la Defense, France)

04:15 PM – 4:30 PM

Poster Sessions & Coffee Break

Keynote Speaker 3: Professor Bruce Hansen, University of Wisconsin

Bruce Hansen is the Trygve Haavelmo Professor of Economics at the University of Wisconsin. He was Co-Editor of *Econometric Theory* during 1995-2008 and Associate Editor of *Econometrica* for the period 1996-2008. He is a Fellow of the Econometric Society and the *Journal of Econometrics*. He has been nearly continuously funded by the National Science Foundation since 1991, and was awarded an Alfred Sloan Research Fellowship in 1994. He has published 57 papers in refereed top journals, and is routinely invited to speak at international conferences. His research is widely cited, with over 21,000 citations listed in Google Scholar. Hansen's research area is econometric theory and methods, with an emphasis on techniques with practical application for applied economists. His early contributions include methods for estimation and testing of cointegration, structural breaks, models with unidentified nuisance parameters, and nonlinearity. His mid-career contributions focused on discontinuous threshold models, developing estimators, tests for threshold effects, and methods for confidence interval construction. His more recent research has focused on forecasting, model selection, averaging, and shrinkage methods. Hansen is also working on a graduate-level econometrics textbook for first-year Ph.D. students.

“Stein Shrinkage for Vector Autoregressions”**Abstract**

This paper introduces Stein shrinkage estimation for vector autoregressions (VARs). The proposed methods shrink unrestricted least-squares VAR estimates towards user-specified constrained estimates based on a user-specified loss function. The constrained estimates considered are random walk, lag exclusion, sum-of-coefficients constraints, and variable exclusion similar to the priors used in the Bayesian VAR (BVAR) literature. The loss functions considered are out-of-sample mean-squared forecast error and impulse response estimation error, for a given variable and a given forecast horizon. The shrinkage is thus specific to the variable and forecast horizon, unlike existing shrinkage methods. In the context of a single constraint the estimator reduces to a Stein-type shrinkage estimator; when there are multiple constraints the estimator takes a frequentist model averaging form. The proposed methods are evaluated in a simulation experiment, and compared to unrestricted least-squares estimation and the BVAR method articulated in the recent work of Giannone, Lenza and Primiceri (2015). Preliminary evidence suggests that the Stein estimator has lower out-of-sample long-horizon MSFE than the BVAR forecasts.

SESSION 9: NONLINEAR DYNAMICS, ROOM 1

CHAIRMAN: Mathias Klein (TU Dortmund University RGS Econ, Germany)

Paper Title (ID): An Endogenous Regime-Switching Continuous-Time Diffusion Model for S&P 500 Volatility Index (**50**)

Authors: **Jie Cheng** (Xi'an Jiaotong- China, Liverpool University- United Kingdom) and Ruijun Bu (University of Liverpool, United Kingdom)

Discussant: **Yuyi Li Yuyi** (University of Liverpool, United Kingdom),

Paper Title (ID): Nonlinear Transformed Diffusion Models for S&P 500 Volatility Index and VIX Futures (**75**)

Authors: Ruijun Bu (University of Liverpool, United Kingdom), Fredj Jawadi (University of Evry, France) and **Yuyi Li Yuyi** (University of Liverpool, United Kingdom),

Discussant: **Mathias Klein** (TU Dortmund University RGS Econ, Germany)

Paper Title (ID): Austerity and Private Debt (**80**)

Authors: **Mathias Klein** (TU Dortmund University RGS Econ, Germany)

Discussant: **Jie Cheng** (Xi'an Jiaotong- China, Liverpool University- United Kingdom)

SESSION 10: MACROECONOMIC DYNAMICS, ROOM 2

CHAIRMAN: Ivan Mendieta-Munoz (University of Kent, United Kingdom)

Paper Title (ID): Business Cycles, Working Capital, and on the Job Search (**94**)

Authors: **Marek Antosiewicz** (Institute for Structural Research and Warsaw School of Economics, Poland) and Jacek Suda (Narodowy Bank Polski, Poland)

Discussant: **Carlos Yopez** (University of Manitoba, Canada)

Paper Title (ID): The Role of Financial Conditions and Real Estate Prices on Business Cycles: A Bayesian Analysis (**2**)

Authors: **Carlos Yopez** (University of Manitoba, Canada)

Discussant: **Ivan Mendieta-Munoz** (University of Kent, United Kingdom)

Paper Title (ID): Is Potential Output Growth falling? (**91**)

Authors: **Ivan Mendieta-Munoz** (School of Economics, University of Kent, United Kingdom)

Discussant: **Marek Antosiewicz** (Institute for Structural Research and Warsaw School of Economics, Poland)

SESSION 11: MOONETARY POLICIES, ROOM 3

CHAIRMAN: Svetlana Makarova (University College London, United Kingdom)

Paper Title (ID): How the Central Banks' Reaction Function in SOE Evolved During the Crisis? (69)

Authors: Aleksandra Halka (National Bank of Poland, Poland)

Discussant: Anwar Khayat (Aix-Marseille School of Economics, CNRS & EHESS, France)

Paper Title (ID): Negative Policy Rates, Banking Flows and Exchange Rates (26)

Authors: Anwar Khayat (Aix-Marseille School of Economics, CNRS & EHESS, France)

Discussant: Svetlana Makarova (University College London, United Kingdom)

Paper Title (ID): ECB FootPrints on the Inflation Forecast Uncertainty (118)

Authors: Svetlana Makarova (University College London, United Kingdom)

Discussant: Aleksandra Halka (National Bank of Poland, Poland)

SESSION 12: FINANCIAL MARKET DYNAMICS, ROOM 4

CHAIRMAN: Andreas Tsopanakis (University of Salford, United Kingdom)

Paper Title (ID): Testing the Gaussian and Student's t copulas in a Risk Management Framework (59)

Authors: Frantz Maurer (KEDGE Business School & University of Bordeaux, France), M. Concepcion Ausin Olivera (Universidad Carlos III de Madrid, Spain) and Alexandre Lourme (University of Bordeaux, France)

Discussant: Etienne Harb (ESSCA Research Lab, France)

Paper Title (ID): The Impact of the French Financial Transaction Tax on High Frequency Trading Activities and market Quality (115)

Authors: Iryna Verzhenko Leboeuf (Labex ReFi, LIRSA-CNAM, France), Etienne Harb (ESSCA Research Lab, France), Wael Louhichi (ESSCA Research Lab, France), and Nathalie Oriol (University of Nice Sophia-Antipolis, France)

Discussant: Andreas Tsopanakis (University of Salford, United Kingdom)

Paper Title (ID): Volatility Co-movements and Spillover Effects within the Eurozone Economies: A Multivariate GARCH Approach using the Financial Stress Index (97)

Authors: Ronald MacDonald (University of Glasgow, Scotland), Andreas Tsopanakis (University of Salford, United Kingdom) and Vasilios Sogiakas (University of Glasgow, Scotland)

Discussant: Frantz Maurer (KEDGE Business School & University of Bordeaux, France)

Day 2: April 15, 2016

09:15 AM – 10:45 AM

Parallel Sessions 13-16

SESSION 13: INTERNATIONAL ECONOMICS, ROOM 1

CHAIRMAN: Hai-Chuan Xu (East China University of Science and Technology, China)

Paper Title (ID): How Should Central Banks Respond to Non-neutral Inflation Expectations? (70)

Authors: Imran Shah (University of Bath, United Kingdom) and Ian Corrick (Department of Economics, United Kingdom)

Discussant: Estrella Gomez-Herrera, (University of Granada, Spain)

Paper Title (ID): New Evidence on Trade and FDI: How Large Is the Euro Effect? (24)

Authors: Mariam Camarero (Jaume I University, Spain), Estrella Gomez-Herrera, (University of Granada, Spain), Cecilio Tamarit (University of Valencia, Spain)

Discussant: Hai-Chuan Xu (East China University of Science and Technology, China),

Paper Title (ID): Interaction Patterns for Daily Versus Minutely CNY-CNH Exchange Rates: A Time-Dependent Lead-Lag Analysis Based on Thermal Optimal Path Method (104)

Authors: Hai-Chuan Xu (East China University of Science and Technology, China), Wei-Xing Zhou (East China University of Science and Technology, China) and Didier Sornette (University of Geneva, Switzerland)

Discussant: Imran Shah (University of Bath, United Kingdom)

SESSION 14: ECONOMETRICS ISSUES, ROOM 2

CHAIRMAN: William Pouliot (University of Birmingham, United Kingdom)

Paper Title (ID): Macroeconomic Regimes, Technological Shocks and Economic Dynamics (95)

Authors: Tommaso Ferraresi (Istituto Regionale di Programmazione Economica della Toscana, Italy and University of Pisa, Italy), Andrea Roventini (Sant'Anna School of Advanced Studies, Italy, OFCE, Sciences Po, France) and Willi Semmler (New School for Social Research, New School University, USA).

Discussant: Renfro Charles G (Journal of Economic and Social Measurement, USA)

Paper Title (ID): Towards a More Operational Econometrics (152)

Authors: Renfro Charles G (Journal of Economic and Social Measurement, USA)

Discussant: William Pouliot (University of Birmingham, United Kingdom)

Paper Title (ID): Multiple Change-Point Detection in Nonlinear Regression Models (92)

Authors: William Pouliot (University of Birmingham, United Kingdom), Shixuan Wang (University of Birmingham, United Kingdom)

Discussant: Andrea Roventini (Sant'Anna School of Advanced Studies, Italy, OFCE, Sciences Po, France)

SESSION 15: MACROECONOMIC DYNAMICS, ROOM 3

CHAIRMAN: Diego Vilán (Federal Reserve Board, USA)

Paper Title (ID): Economic Growth Cycles Driven by Investment Delay (73)

Authors: Marek Szydłowski (Jagiellonian University, Poland) and **Adam Krawiec** (Jagiellonian University, Poland)

Discussant: Berrak Bahadır (Ozyegin University, Turkey)

Paper Title (ID): Transmission of Credit Shocks in Emerging Markets: The Role of Housing (162)

Authors: Berrak Bahadır (Ozyegin University, Turkey) and Inci Gumus (Sabanci University, Turkey)

Discussant: Diego Vilán (Federal Reserve Board, USA)

Paper Title (ID): Demand Shocks and Endogenous Uncertainty (126)

Authors: Diego Vilán (Federal Reserve Board, USA)

Discussant: Adam Krawiec (Jagiellonian University, Poland)

SESSION 16: FINANCIAL MARKET DYNAMICS, ROOM 4

CHAIRMAN: Barbara Rudolf (SNB Zurich, Switzerland)

Paper Title (ID): Comparing Behavioural Heterogeneity across Asset Classes (138)

Authors: Cars H. Hommes (University of Amsterdam and Tinbergen Institute, Netherlands), **Saskia Ter Ellen** (Norges Bank, Norway), and Remco C.J. Zwinkels (VU University Amsterdam and Tinbergen Institute, Netherlands)

Discussant: Halima Baghdad (Universite Paris 1 Pantheon Sorbonne, France)

Paper Title (ID): Stock Returns and Investor Sentiment: An Empirical Study of the French Stock Market (41)

Authors: Halima Baghdad (Universite Paris 1 Pantheon Sorbonne, France)

Discussant: Barbara Rudolf (SNB Zurich, Switzerland)

Paper Title (ID): Price Change Dispersion and Time-Varying Pass-Through into Consumer Prices (33)

Authors: Rita Fler (University of Berne, Switzerland), **Barbara Rudolf** (SNB Zurich, Switzerland) and Mathias Zurlinden (SNB Zurich, Switzerland)

Discussant: Saskia Ter Ellen (Norges Bank, Norway)

10:45 AM – 11:00 AM

Poster Sessions & Coffee Break

Keynote Speaker 4: Professor Kenneth D. West, University of Wisconsin, USA

Kenneth West is the John D. MacArthur and Ragnar Frisch Professor of Economics at the University of Wisconsin-Madison. He received a B.A. in Economics and Mathematics from Wesleyan University in 1973 and a Ph.D. in Economics from the Massachusetts Institute of Technology in 1983. He taught at Princeton University from 1983 to 1988 before coming to the University of Wisconsin in 1988. He has held Visiting Scholar positions at several central banks and at several branches of the U.S. Federal Reserve System. He is currently co-editor of the *Journal of Money, Credit and Banking* and previously served as co-editor of the *American Economic Review*. He has published influential and widely cited papers in the fields of macroeconomics, finance, international economics and econometrics. Honors include the John M. Stauffer National Fellowship in Public Policy at the Hoover Institution, Alfred P. Sloan Research Fellowship, Fellow of the Econometric Society, Houblon Norman Senior Fellowship at the Bank of England, Fellow of the Journal of Econometrics, Wim Duisenberg Research Fellowship at the European Central Bank, and Abe Fellowship.

“Approximate Bias in Time Series Regression”**Abstract**

I derive mean bias to order T^{-1} in a stationary least squares regression. The regression disturbance may be serially correlated and conditionally heteroskedastic. The dynamics of the right hand side variables are unrestricted. I show that the bias can be written as infinite sums of second moments, products of second moments and possibly fourth cumulants of the disturbance and right hand side variables. When certain finite parameter models are used for the moments and cumulants, I provide closed form expressions for the bias. One analytical result is that in regressions of long horizon change, which are used to test multiperiod forecast rationality and efficiency and to make direct forecasts, regression estimates have arbitrarily large bias for arbitrarily large forecast horizons. Simulations indicate that this and other analytical results are well reflected in plausible data generating processes and sample sizes.

Keynote Speaker 5: Professor Barbara Rossi, ICREA-Univ. Pompeu Fabra, Barcelona GSE and CREI

Barbara Rossi is an ICREA professor of Economics at Universitat Pompeu Fabra. She previously has been an Associate Professor with tenure at the department of Economics at Duke University, after earning her Ph.D. from Princeton University. She is a CEPR Fellow, is a member of the CEPR Business Cycle Dating Committee and a Director of the International Association of Applied Econometrics. She has also been visiting researcher at the University of California—Berkeley, the University of Montreal in Canada, UC San Diego, the Federal Reserve Banks of Atlanta and Philadelphia, Norges Bank, Bank of France, and ENSAE-CREST in France. Professor Rossi specializes in the fields of time series econometrics, as well as applied international finance and macroeconomics. Her current research focuses on forecasting and macroeconometrics. Professor Rossi has published her research findings in the *Review of Economic Studies*, *Quarterly Journal of Economics*, the *Journal of Business and Economic Statistics*, the *International Economic Review*, *Econometric Theory*, the *Journal of Applied Econometrics*, the *Journal of Money, Credit and Banking*, *Journal of Econometrics*, the *Review of Economics and Statistics*, and *Macroeconomic Dynamics*. She has presented her findings at a variety of professional conferences and meetings, including the SED meetings, the Econometric Society Meetings, the Joint Statistical Meetings, the NBER-NSF Time Series Conference, the NBER, as well as the AEA meetings. She received two National Science Foundation, a Marie Curie and an ERC grants, wrote a chapter on "Advances in Forecasting under Model Instabilities" for the *Handbook of Economic Forecasting* (Elsevier-North Holland eds.), a chapter on "Forecasting in Macroeconomics" for the *Handbook of Research Methods and Applications in Empirical Macroeconomics*, and an article for the *Journal of Economic Literature*. Along with her teaching and research responsibilities, Professor Rossi holds various other professional positions. She serves as the editor of the *Journal of Applied Econometrics* and as an associate editor of the *Journal of Business and Economic Statistics* and *Quantitative Economics*, and is the Program Chair for the 2016 Econometric Society European Summer Meetings.

“Understanding the Sources of Macroeconomic Uncertainty”

SESSION 17: BANKING AND MARKET MICROSTRUCTURE, ROOM 1**CHAIRMAN: Jacob Leal Sandrine** (ICN Business School, France)**Paper Title (ID):** Bank Profitability During and Before Financial Crisis: Domestic vs. foreign banks (110)**Authors:** Sameh Jouida (Sousse University, Tunisia) **Houssam Bouzgarrou** (Sousse University, Tunisia) and Waël Louhichi (ESSCA School of Management, France)**Discussant: Yi-Heng Tseng** (Yuan Ze University, Taiwan)**Paper Title (ID):** Order Choices and Price Discovery in Call Auctions: Lessons from the Transparency Reform of the Taiwan Stock Exchange (32)**Authors:** **Yi-Heng Tseng** (Yuan Ze University, Taiwan) and Chia-Ling Chang (Taiwan Institute of Economic Research, Taiwan)**Discussant: Jacob Leal Sandrine** (ICN Business School, France)**Paper Title (ID):** High-Frequency Trading and the Emergence of Flash Crashes: Some Regulatory Policies Experiments (66)**Authors:** **Jacob Leal Sandrine** (ICN Business School, France), Mauro Napoletano (OFCE, Skema Business School, and Scuola Superiore Sant'Anna, Italy), Andrea Roventini (Scuola Superiore Sant'Anna and Sophia-Antipolis, France) and Giorgio Fagiolo (Scuola Superiore Sant'Anna, Italy)**Discussant: Waël Louhichi** (ESSCA School of Management, France)**SESSION 18: FORECASTING, ROOM 2****CHAIRMAN: Andreas Pick** (Erasmus University Rotterdam and De Nederlandsche Bank, Netherlands)**Paper Title (ID):** Fast and adaptive cointegration based model for forecasting High Frequency Financial Time Series (102)**Authors:** **Paola Soledad Arce Azocar** (UTFSM, Chile), Jonathan Antognini (UTFSM, Chile), Werner Kristjanpoller (UTFSM, Chile) and Luis Salinas (UTFSM, Chile)**Discussant: Christian de Peretti** (University Claude Bernard-Lyon 1, France)**Paper Title (ID):** Time Varying Copula Model for Claims Reserving in Non life insurance (132)**Authors:** Sawssen Araichi (University of Lyon 1 and IHEC Sousse, France), **Christian de Peretti** (University Claude Bernard-Lyon 1, France) and Lotfi Belkacem (IHEC Sousse, Tunisia)**Discussant : Andreas Pick** (Erasmus University Rotterdam and De Nederlandsche Bank, Netherlands)**Paper Title (ID):** Optimal Forecasts from Markov Switching Models (78)**Authors:** Tom Boot (Erasmus University Rotterdam, Netherlands) and **Andreas Pick** (Erasmus University Rotterdam and De Nederlandsche Bank, Netherlands)**Discussant: Paola Soledad Arce Azocar** (UTFSM, Chile)

SESSION 19: COMPUTATIONAL ECONOMICS AND STATISTICS, ROOM 3

CHAIRMAN: Lasse de la Porte Simonsen (University of London, United Kingdom)

Paper Title (ID): Computing the Cross-Sectional Distribution to Approximate Stationary Markov Equilibria with Heterogeneous Agents and Incomplete Markets **(37)**

Authors: **Elisabeth Proehl** (University of Geneva and Swiss Finance Institute, Switzerland)

Discussant: **J. Guillermo. Llorente** (Universidad Autonoma de Madrid, Spain)

Paper Title (ID): Testing for Constant Parameters in Nonlinear Models **(74)**

Authors: J. del Hoyo (Universidad Autonoma de Madrid, Spain), **J. Guillermo. Llorente** (Universidad Autonoma de Madrid, Spain) and C. Rivero (Universidad Complutense de Madrid, Spain)

Discussant: **Lasse de la Porte Simonsen** (University of London, United Kingdom)

Paper Title (ID): Nimbyism, Pigovian Equilibrium, Spatial Correlation or all three?

Modelling the Distribution of Residential Land and its Impact in 27 EU Countries **(121)**

Authors: **Lasse de la Porte Simonsen** (Birkbeck College, University of London, United Kingdom) and Stephen Wright (Birkbeck College, University of London, United Kingdom)

Discussant: **Elisabeth Proehl** (University of Geneva and Swiss Finance Institute, Switzerland)

SESSION 20: HETEROGENEOUS AGENT ECONOMIES, ROOM 4

CHAIRMAN: Jelonek Piotr (University of Warwick, United Kingdom)

Paper Title (ID): Asset Market Volatility and New Keynesian Macroeconomics: A Game-theoretic Approach **(45)**

Authors: **Tae-Seok Jang** (School of Economics & Trade, Kyungpook National University, Republic of Korea) and Nam-Un Cho (Seoul National University, Republic of Korea)

Discussant: **Omar A. Guerrero** (University of Oxford, United Kingdom)

Paper Title (ID): The Network Composition of Aggregate Unemployment **(166)**

Authors: Robert L. Axtell (George Mason University, USA), **Omar A. Guerrero** (University of Oxford, United Kingdom) and Eduardo Lopez (University of Oxford, United Kingdom)

Discussant: **Jelonek Piotr** (University of Warwick, United Kingdom)

Paper Title (ID): Inter-Bank Network Formation: From Heterogeneity to Systemic Risk **(113)**

Authors: **Jelonek Piotr** (University of Warwick, United Kingdom)

Discussant: **Tae-Seok Jang** (Kyungpook National University, Republic of Korea)

04:15 PM – 4:30 PM

Poster Sessions & Coffee Break

SESSION 21: FINANCIAL MARKETS DYNAMICS (2), ROOM 2

CHAIRMAN: Jean-Luc Prigent (University of Cergy-Pontoise, France)

Paper Title (ID): Probability of Short-Term Deflation Episodes and Their Expected Duration: The Case of China (119)

Authors: Charemza Wojciech (University of Leicester, United Kingdom), Svetlana Makarova (University College London, United Kingdom) and Yinkai Wu (University of Leicester, United Kingdom)

Discussant: Erwan LE Saout (Ecole de Management de la Sorbonne, France)

Paper Title (ID): The Efficiency of Listed Microfinance Institutions (96)

Authors: Lâma DAHER (Prism Sorbonne & ESSCA, France) Erwan LE Saout (Ecole de Management de la Sorbonne, PRISM Sorbonne, France)

Discussant: Jean-Luc Prigent (Université de Cergy-Pontoise, France)

Paper Title (ID): Long-Term Investment with Stochastic Interest and Inflation Rates: Incompleteness and Compensating Variation (44)

Authors: Farid Mkaouar (CNAM Paris, France), Jean-Luc Prigent (Université de Cergy-Pontoise-THEMA and Labex MME-DII, France) and Ilyes Abid (ISC Paris, France)

Discussant: Charemza Wojciech (University of Leicester, United Kingdom)

SESSION 22: ECONOMETRICS MODELING, ROOM 3

CHAIRMAN: Ana-Maria H. Dumitru (University of Surrey, United Kingdom)

Paper Title (ID): Testing for Periodic Integration with a Changing Mean (5)

Authors: Toma Del Barrio Castro (University of the Balearic Islands, Spain), Cecilio Tamarit (University of Valencia, Spain) and Mariam Camarero (Universitat Jaume I, Spain)

Discussant: Araichi (University of Lyon 1 and IHEC of Sousse, Tunisia)

Paper Title (ID): Claims Reserving Modelling with a Novel Dynamic Generalized Linear model (117)

Authors: Sawssen Araichi (University of Lyon 1 and IHEC of Sousse, Tunisia), Christian de Peretti (University of Lyon 1, France) and Lotfi Belkacem (IHEC of Sousse, Tunisia)

Discussant: Ana-Maria H. Dumitru (University of Surrey, United Kingdom)

Paper Title (ID): Market Credit Risk in the Eurozone Area (36)

Authors: Ana-Maria H. Dumitru (University of Surrey, United Kingdom)

Discussant: Toma Del Barrio Castro (University of the Balearic Islands, Spain)

SESSION 23: MACRECONOMIC DYNAMICS, ROOM 1

CHAIRMAN: Enchuan Shao (University of Saskatchewan, Canada)

Paper Title (ID): Refining Trade and Transport Costs in SCGE models: An Alternative Model and its SAM-Based Calibration (39)

Authors: **Tamás Sebestyén** (MTA-PTE Innovation and Economic growth Research Group and University of Pécs, Hungary)

Discussant: **Zied Ftiti** (EDC Paris Business School, France)

Paper Title (ID): Central Bank Independence and Inflation Relationship: Role of Monetary regimes? (79)

Authors: **Zied Ftiti** (EDC Paris Business School, OCRE-Lab & University of Tunis, France), **Abdelkader Aguir** (University Pierre Mendès-France and University Joseph Fourier - Grenoble I, France) and **Mounir Smida** (Faculty of Economic and Management Sciences of Sousse, Tunisia)

Discussant: **Enchuan Shao** (University of Saskatchewan, Canada)

Paper Title (ID): Wealth Inequality and Employment Fluctuations (120)

Authors: **Enchuan Shao** (University of Saskatchewan, Canada), **Pedro Silos** (Temple University, USA)

Discussant: **Tamás Sebestyén** (University of Pécs, Hungary)

SESSION 24: ECONOMETRIC MODELING IN ECONOMICS AND FINANCE, ROOM 1

CHAIRMAN: Alistair Matthew Dieppe (European Central Bank, Germany)

Paper Title (ID): Is Sovereign Default Looming for Oil Exporting Countries? The Case of Russia and Venezuela (167)

Authors: **Thomas Chuffart** (Aix-Marseille School of Economics, CNRS & EHESS, France), **Emma Hooper** (Aix-Marseille School of Economics, CNRS & EHESS, France)

Discussant: **Shu-Heng Chen** (National Chengchi University, Taiwan)

Paper Title (ID): Is the IS Puzzle a Puzzle or an Aggregation Bias? (68)

Authors: **Shu-Heng Chen**, **Lian-Sheng Yang**, **Chia-Ling Chang**, **Yi-Heng Tseng** (Nanjing University of Science and Technology, China)

Discussant: **Alistair Matthew Dieppe** (European Central Bank, Germany)

Paper Title (ID): Bayesian Estimation and Analysis Regression Toolbox (BEAR) (77)

Authors: **Alistair Matthew Dieppe** (European Central Bank, Germany), **Romain Legrand** (European Central Bank, Germany) and **Björn Van Roye** (European Central Bank, Germany)

Discussant: **Thomas Chuffart** (Aix-Marseille School of Economics, France)

6:00 PM – 7:00 PM MEETING WITH EDITORS

Professor Hans AMMAN, Editor of *Computational Economics*

Professor Bruce HANSEN, Former Co-Editor of *Econometric Theory* and
Associate Editor at *Econometrica*

Professor Bruce McGOUGH, Co-editor of *Economic Inquiry*

Professor. Barbara ROSSI, Editor of *Journal of Applied Econometrics*

Professor Kenneth D. WEST, Editor of *Journal of Money, Credit and
Banking*, Advisory Editor of *Macroeconomic Dynamics*

8:00 PM Dinner in the Conference Hotel

Day 3: April 16, 2016

08:30 AM – 10:00 AM

Parallel Sessions 25-28

SESSION 25: FINANCIAL MARKETS, ROOM 1

CHAIRMAN: Simone Righi (University of Bologna, Italy, Hungarian Academy of Sciences, Hungary)

Paper Title (ID): Predicting US Banks Bankruptcy: Logit versus Canonical Discriminant Analysis (122)

Authors: Affes Zeineb (Université Paris 1 Panthéon-Sorbonne, France), Rania Kaffel (Université Paris 1 Sorbonne)

Discussant: Sébastien Galanti (University of Orleans, France)

Paper Title (ID): Optimism Bias in Financial analysts' Earnings Forecasts: Do Commission Sharing Agreement Rules Reduce Conflicts of Interest? (27)

Authors: Sébastien Galanti (University of Orleans, France) and Anne Gael Vaubourg (LAREFI-University of Bordeaux, France)

Discussant: Simone Righi (University of Bologna, Italy, Hungarian Academy of Sciences, Hungary)

Paper Title (ID): Much ado about making money: The impact of disclosure, news and rumors over the formation of security market prices over time (10)

Authors: Yuri Biondi (CNRS - ESCP Europe, France) and Simone Righi (University of Bologna, Italy, Hungarian Academy of Sciences, Hungary)

Discussant: Affes Zeineb (Université Paris 1 Panthéon-Sorbonne, France)

SESSION 26: PORTFOLIO AND MONETARY POLICY, ROOM 2

CHAIRMAN: Enrique Martinez-Garcia (Federal Reserve Bank of Dallas, USA)

Paper Title (ID): A Diffusion Model for Long-Term Optimization in the Presence of Stochastic Interest and Inflation Rates (55)

Authors: Farid Mkaouar (LIRSA-CNAM, France), Jean-Luc Prigent (Université de Cergy-Pontoise THEMA and Labex MME-DII, France) and Ilyes Abid (Institut Supérieur de Commerce de Paris, France)

Discussant: Alexander Ueberfeldt (Bank of Canada, Canada)

Paper Title (ID): Should Monetary Policy Lean Against Housing Market Booms? (155)

Authors: Alexander Ueberfeldt (Bank of Canada, Canada) and Sami Alpanda (University of Central Florida, USA)

Discussant: Enrique Martinez-Garcia (Federal Reserve Bank of Dallas, USA)

Paper Title (ID): Monetary Policy Transmission within a Currency Union - The "Untold" Story about Asymmetric Supply-Side Shocks (61)

Authors: Enrique Martinez-Garcia (Federal Reserve Bank of Dallas and Adjunct at Southern Methodist University, USA)

Discussant: Farid Mkaouar (LIRSA-CNAM, France)

SESSION 27: COMPUTATIONAL ECONOMICS AND STATISTICS, ROOM 2

CHAIRMAN: Shu-Heng Chen (National Chengchi University Taipei, Taiwan)

Paper Title (ID): On the Job Search and Working Capital (64)

Authors: Jacek Suda (Narodowy Bank Polski, Poland)

Discussant: Michal Rubaszek (Narodowy Bank Polski and Warsaw of Economics, Poland)

Paper Title (ID): Exchange Rate Forecasting with DSGE Models (49)

Authors: Ca'Zorzi Michele (European Central Bank, Germany), Kolasa Marcin (Narodowy Bank Polski and Waeshaw School of Economics, Poland) and **Michal Rubaszek** (Narodowy Bank Polski and Warsaw of Economics, Poland)

Discussant: Shu-Heng Chen (National Chengchi University Taipei, Taiwan)

Paper Title (ID): Agent-Based Modeling of a Non-Tatonnement Process for the Scarf Economy: The Role of Learning (87)

Authors : Shu-Heng Chen (National Chengchi University Taipei, Taiwan), Bin-Tzong Chie (Tamkang University, Taiwan) , Ying-Fang Kao(National Chengchi University Taipei, Taiwan) and Ragupathy Venkatachalam (National Chengchi University Taipei, Taiwan).

Discussant: Jacek Suda (Narodowy Bank Polski, Poland)

SESSION 28: FINANCIAL MARKET DYNAMICS, ROOM 2

CHAIRMAN: Ricardo M. Sousa (University of Minho, Portugal; London School of Economics, United Kingdom)

Paper Title (ID): What Explains the Duration of Financial Markets' Shutdown and Re-Access? (156)

Authors: Luca Agnello (University of Palermo, Italy), Vítor Castro (University of Coimbra, Faculty of Economics, University of Minho, Portugal) and **Ricardo M. Sousa** (University of Minho, Portugal; London School of Economics, United Kingdom)

Discussant: Joao Issler (Getulio Vargas Foundation, Brazil)

Paper Title (ID): Inattention in Individual Expectations (71)

Authors: Joao Issler (Getulio Vargas Foundation, Brazil), Yara de Aalmeida Campos Codeiro (Graduate School of Economics – EPGE, Getulio Vargas Foundation, Brazil) and Wagner Piazza Gaglianone (research Department, Banco Central do Brazil, Brazil)

Discussant: Yanyi Wang (Renmin University of China, China)

Paper Title (ID): Follow the Guru or Ride the Wave? (35)

Authors: Guocheng Wang (Institute of Quantitative and Technical Economics, Chinese Academy of Social Sciences, China) and **Yanyi Wang** (Renmin University of China, China)

Discussant: Ricardo M. Sousa (University of Minho, Portugal; London School of Economics, United Kingdom)

10:15 AM – 10:30 AM Poster Sessions & Coffee Break

10:30 AM - 11:00 PM Information about Special Issues and Conference Closing

Dr. **Hachmi BEN AMEUR** (INSEEC, France), Dr. **Makram BELLALAH** (University of Jules Verne Picardie, France), Dr. **Fredj JAWADI** (University of Evry, France)

Detailed Program for Poster Sessions

Paper Title (ID): Fluctuations in Emerging Economies: Regional and Global Factors (154)
Authors: **Zouhair Ait Benhamou** (EconomiX - Paris Nanterre University, France)

Paper Title (ID): Financial Crisis Prediction: Behavioural Finance Approach for Stock Market Forecasting (53)
Authors: **Marius Liutvinavicius** (Vilnius University, Lithuania) Jelena Zubova (Vilnius University, Lithuania) and Virgilijus Sakalauskas (Vilnius University, Lithuania)

Paper Title (ID): External Imbalances and Growth (89)
Authors: **Jesús Peiró Palomino** (University of Valencia, Spain), Mariam Camarero (University Jaume I and INTECO, Spain) and Cecilio Tamarit (University of València and INTECO, Spain)

Paper Title (ID): The Trading Activity-Volatility Relationship on the Tunis Stock Exchange (88)
Authors: **Rabaa Karaa** (University of Carthage, Tunisia), Skander Slim (University of Sousse, Tunisia) and Dorra Mezzez Hmaied (University of Carthage, Tunisia)

Paper Title (ID): External Saving and Exhaustible Resource Extraction (99)
Authors: **Assia Elgouacem** (Department of Economics, Sciences Po, France)

Paper Title (ID): The Cyclical Behaviour of Eurozone Commercial Banks from 1999 to 2013 (164)
Authors: **Faten Ben Bouheni** (ISC Paris Business School, France)

Paper Title (ID): On the Criminality Drivers (168)
Authors: **Sushanta Mallick** (University of London, United Kingdom) and **Fredj Jawadi** (University of Evry, France)

Paper Title (ID): Optimal Employee Ownership Contracts under Ambiguity Aversion (90)
Authors: Nicolas Aubert (Aix Marseille University & Inseec, France), **Hachmi Ben Ameer** (INSEEC Business School, France), Guillaume Garnotel (INSEEC Business School, France) and Jean-Luc Prigent (Université de Cergy-Pontoise, France)

Paper Title (ID): Islamic Indices Revisions: Price, Volatility and Liquidity effects (151)
Authors: **Dorra Laribi** (University of Picardie Jules Verne, France)

Paper Title (ID): Pricing derivatives in the Presence of Shadow Costs of Incomplete Information and Short Sales (146)
Authors: **Mondher Bellalah** (University of Cergy Pontoise, France)

Paper Title (ID): Technology Shocks, Coordination Failures and Emergent Macroeconomic Dynamics (160)
Authors: **Mattia Guerini** (Sant'Anna School of Advanced Studies, Italy), Mauro Napoletano and (Sant'Anna School of Advanced Studies, Observatoire Française Conjuncture Economique, France), Roventini Andrea (Scuola Superiore Sant'Anna, SKEMA Business School, France)

Paper Title (ID): Threshold effects in the relationship between investor sentiment and stock market returns: A Panel Smooth Transition Approach (159)

Authors: Hela Namouri (University of Evry, France)

Paper Title (ID): Do Terrorist Attacks Impact Exchange Rate Behavior? New International Evidence (168)

Authors: Siroos Khademalomoom (Deakin University, Australia), Paresh Kumar Narayan (Deakin University, Australia), Seema Narayan (Royal Melbourne Institute of Technology University, Australia) and Dinh Hoang Bach Phan (Deakin University, Australia).

Paper Title (ID): Using a CGE Model for analyzing the Macroeconomic impact of the Grand Paris Express project on the Ile-de-France Region (17)

Authors: Haykel Hadj-Salem (Sousse University, Tunisia, University of Lille, France), Aboulkacem El-Mehdi (University of Lille, France), Hubert Jayet (University of Lille, France), Quentin David (University of Lille, France), Hakim Hammadou (University of Lille, France) and Moez Kilani (University of Lille, France)

Paper Title (ID): The Business Environment, Education and Entrepreneurship in Low Income Countries (136)

Authors: Zuzana Brixiova (University of Cape Town and IZA), Balazs Egert (Organization for Economic Cooperation and Development, France) and Mthuli (University of Oxford, UK)

Paper Title (ID): Bankruptcy Prediction: An Investigation of Earnings Management to Improve the Accuracy of Bankruptcy Prediction Models (38)

Authors: David Veganzones (IAE de Lille, France), Eric Séverin (IAE de Lille, France) and Philippe du Jardin (EDHEC Business School, France)

Paper Title (ID): Regulation, Institutions and Investment: New macroeconomic Evidence from OECD Countries (22)

Authors: Balazs Egert (Organization for Economic Cooperation and Development, France)