

2009 Daiwa Young Researchers' Workshop on Finance Program

■ Date and Place

9 (Mon) – 12 (Thu) MAR
Kyoto University, Kyoto

Organizer Daiwa Securities Group Chair of Financial Engineering
Graduate School of Economics, Kyoto University
Tokyo Metropolitan University
Selective Research Fund of Tokyo Metropolitan University in
the Heisei 20

Sponsor Daiwa Securities Group/**大和証券グループ**

**Program
Committee** Masaaki Kijima, Kyoto University, Chair
Masahiko Egami, Kyoto University
Katsumasa Nishide, Yokohama National University
Yusuke Osaki, Kyoto University
Takashi Shibata, Tokyo Metropolitan University
Keiichi Tanaka, Tokyo Metropolitan University
Yuji Yamada, Tsukuba University

9 Mar (Mon) 2009

Registration **09:30**

Room 311, Faculty of Law & Economics Bldg., Kyoto University

■Opening Address

09:50-10:00 **Masaaki Kijima**, Kyoto University, Tokyo Metropolitan University

Lecture on “Jumps and Volatility in High Frequency Financial Data”

Yacine Ait-Sahalia, Princeton University

Abstract: These lectures will discuss recent developments in the econometrics of high frequency financial data. Some of the questions to be addressed include testing for the presence of jumps, estimating the degree of activity of infinitely active jumps, distinguishing jumps from volatility and the impact of market microstructure noise in tick-by-tick transaction and quotes data.

10:00-11:30 Lecture 1: Stochastic Preliminaries: Levy and Other Jump Processes

11:30-13:30 *Lunch*

13:30-15:00 Lecture 2: Testing for Jumps in Financial Data: Finite or Infinite Activity

15:00-15:30 *Break*

15:30-17:00 Lecture 3: Estimating Volatility in the Presence of Market Microstructure Noise

10 Mar (Tue) 2009

Registration **09:45**

Room 311, Faculty of Law & Economics Bldg., Kyoto University

Chair: Keiichi Tanaka

- 10:00-10:40 **Samuel Cohen**, University of Adelaide
 “A General Theory of Finite State Backward Stochastic Difference Equations”
 (with R. J. Elliott)
- 10:40-11:20 **Yasufumi Osajima**, BNP Paribas
 “General Asymptotics of Wiener Functionals and Application to Mathematical
 Finance”
- 11:20-12:00 **Dimitri De Valliere**, University of Franche-Comte
 “Hedging of American Options under Transaction Costs” (with Y. Kabanov and E.
 Denis)
- 12:00-13:30 *Lunch*

Chair: Kyoko Yagi

- 13:30-14:10 **Aiko Kurushima**, Tokyo University of Science
 “American Option on a Partial Information Geometric Random Walk”
 (with Katsunori Ano)
- 14:10-14:50 **Tim Siu-Tang Leung**, Johns Hopkins University
 “Dynamic Exponential Utility Valuation with Optimal Stopping and
 Static-Dynamic Hedges”
- 14:50-15:30 **Yoshifumi Muroi**, Osaka University
 “Pricing Derivatives with Asymptotic Expansion Approach: Credit Migration
 Models with Stochastic Credit Spreads” (with K. Takino)
- 15:30-16:00 *Break*

Chair: Katsumasa Nishide

- 16:00-16:40 **Yusuke Osaki**, Kyoto University
 “Stochastic Dominance Representation of Optimistic Belief: Theory and
 Applications” (with J. Quiggin)
- 16:40-17:20 **Gordan Zitkovic**, University of Texas at Austin
 “Stochastic Equilibria and Stability in Certain Incomplete Continuous-Time
 Financial Environments”
- 17:20-18:00 **Hisashi Hashimoto**, Nagoya University of Commerce and Business
 “An Analysis of the Bid-Ask Spread for Risk-Averse Traders in a Limited-Order
 Market”

11 Mar (Wed) 2009

Registration **09:45**

Room 311, Faculty of Law & Economics Bldg., Kyoto University

Chair: Yuji Yamada

- 10:00-10:40 **Boda Kang**, University of Technology, Sydney
“Modelling and Estimating the Forward Price Curve in the Energy Market”
(with C. Chiarella and L. Clewlow)
- 10:40-11:20 **Kyo Yamamoto**, The University of Tokyo
“Selection, Risk Analysis, and Replication of Asia-Pacific Hedge Funds”
(with A. Takahashi and T. Hakamada)
- 11:20-12:00 **Mingxin Xu**, University of North Carolina, Charlotte
“Minimizing Conditional Value-at-Risk under Constraint on Expected Value”
(with J. Li)
- 12:00-13:30 *Lunch*

Chair: Ryuta Takashima

- 13:30-14:10 **Takuji Arai**, Keio University
“Good Deal Bounds Induced by Shortfall Risk”
- 14:10-14:50 **Jing-zhi Huang**, Pennsylvania State University
“Specification Analysis of Structural Credit Risk Models” (with H. Zhou)
- 14:50-15:30 **Tetsuya Yamada**, Bank of Japan
“Dynamic Model of Credit Risk in Relationship Lending: A Game-Theoretic Real Options Approach” (with T. Shibata)
- 15:30-16:00 *Break*

Chair: Takashi Shibata

- 16:00-16:40 **Shinsuke Kamoto**, Hiroshima Shudo University
“Investment under Uncertainty, Self-Interested Managers, and Managerial Human Capital”
- 16:40-17:20 **Olli Wallin**, Technical University of Berlin
“Viscosity Solutions Theory for Tolling Agreements and Swing Options”
- 17:20-18:00 **Makoto Goto**, Waseda University
“Investment, Capacity Choice, and Outsourcing under Uncertainty”
(with Ryuta Takashima)

■Closing Address

- 18:00-18:10 **Kimio Morimune**, Kyoto University

12 Mar (Thu) 2009

Registration **10:00**

Room **311**, Faculty of Law & Economics Bldg., Kyoto University

■ **Discussion**