



International Institute of Forecasters

9<sup>th</sup> International Institute of Forecasters' Workshop, **September 28-29, 2012**

**“Predicting Rare Events: Evaluating Systemic and Idiosyncratic Risk”**

hosted by  
**Federal Reserve Bank of San Francisco**  
**101 Market St. San Francisco, CA**

Motivated by global financial events of the recent past, the workshop will showcase the latest research on forecasting rare, but systemic, events as well as monitoring more idiosyncratic risks. Experts from the academic, regulatory, and practitioner communities will come together to discuss the interface between cutting-edge research methods and best-practice risk-management techniques.

**PROGRAM**

**Day 1 – Friday, September 28, 2012**

8:30 – 9:00am Welcome and Introductory Remarks

9:00 – 10:00am **Academic Keynote Address:** Frank Diebold (U. of Pennsylvania)

10:00 – 10:20am Break

10:20am – 12:00pm **Session I. Tail Risk Dependence**

Egon Zakrajšek (Federal Reserve Board): “Stress-Testing U.S. Bank Holding Companies: A Dynamic Panel Quantile Regression Approach”

*Discussant:* Kay Gieseck (Stanford)

Simone Manganelli (European Central Bank): “VAR for VaR: Measuring Tail Dependence Using Multivariate Regression Quantiles”

*Discussant:* Demian Pouzo (U.C. Berkeley)

12:00 – 1:20pm Lunch

1:20 – 3:00pm **Session II. Diversification in International and Commodity Markets.**

Allan Timermann (UCSD): “Predictive Dynamics in Commodity Prices”

*Discussant:* Jan J. Groen (Federal Reserve Bank of New York)

Peter Christoffersen (U. of Toronto): “Is the Potential for International Diversification Disappearing?”

*Discussant:* Ross Valkanov (UCSD)

3:00 – 3:20pm Coffee Break

3:20 – 4:00pm **Session III. Networks in Science: Lessons for Economists I**

George Sugihara (Scripps Institute of Oceanography, UCSD): TBA



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4:00 – 5:30pm

**Session IV. Networks in Finance**

Bernd Schwaab (European Central Bank): “Conditional Probabilities and Contagion Measures for Euro Area Sovereign Risk”

*Discussant:* Hanno Lustig (UCLA)

Nikolaus Hautsch (Humboldt U., Berlin): “Financial Network Systemic Risk Contributions”

*Discussant:* Galina Hale (Federal Reserve Bank of San Francisco)

5:30pm

Adjourn

**Day 2 – Saturday, September 29, 2012**

8:30 – 9:00am

Welcome

9:00 – 10:00am

**Policy Keynote Address:** Til Schuermann (Oliver Wyman)

10:00 – 10:20am

Break

10:20 – 11:00am

**Session V. Networks in Science: Lessons for Economists II**

Fushing Hsieh (U.C. Davis): “Computing Systemic Risks from Multiple Behavioral Networks: Animals and Banks in the Dawn of a Crisis”

11:00am – 12:40pm:

**Session VI. Stress Testing**

Matt Pritsker (Federal Reserve Bank of Boston): “Enhanced Stress Testing”

*Discussant:* Mikael Juselius (Bank of International Settlements)

Mathias Drehmann (Bank of International Settlements): “Improving Early Warning Indicators for Banking Crises – Satisfying Policy Requirements”

*Discussant:* James Wilcox (U.C. Berkeley)

12:40pm

Adjourn

**REGISTRATION**

If you are interested in attending, please send an email to [SF.FRBSF-IIF@sf.frb.org](mailto:SF.FRBSF-IIF@sf.frb.org) and we will send you the web-based registration form. Please be aware that the Federal Reserve Bank of San Francisco is a secure building, and prior registration and proper identification will be needed to enter the conference venue. Please feel free to send any questions you might have about the workshop to this email as well.

**ORGANIZERS**

Gloria González-Rivera, University of California, Riverside and IIF

Òscar Jordà, Federal Reserve Bank of San Francisco and University of California, Davis

José López, Federal Reserve Bank of San Francisco