

# FORECASTING FINANCIAL MARKETS:

## ADVANCES FOR EXCHANGE RATES, INTEREST RATES AND ASSET MANAGEMENT

Marseille, 21, 22 and 23 May 2014

### Conference Programme

#### Programme Chairs:

**Christian Dunis**  
(Horus Partners Wealth  
Management, Geneva and  
Liverpool JMU University)

**Michael Dempster**  
(Centre for Mathematical  
Sciences, University of  
Cambridge)

**Eric Girardin**  
(Université Aix-Marseille  
and AMSE)

**Jason Laws** (University of  
Liverpool Management  
School)

**Hans-Jörg von Mettenheim,**  
(Leibniz Universität,  
Hannover)

*Modelling with high frequency data and market  
microstructure*

*Fund management and trading rules*

*Funds of funds and balanced funds*

*Advances in asset management and portfolio  
optimisation*

*Relative value and market neutral strategies*

*Modelling volatility and correlation*

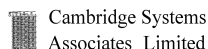
*Risk analysis and credit trading*

*Derivatives pricing models and real options*

#### Sponsors:



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#### Conference Venue:

Faculté de Sciences Economiques et de Gestion  
14 rue Puvis-de-Chavannes  
F-13001 Marseille (France)

#### Registration Fees:

**Presenters registration fees:** EUR 300 (academics) and EUR 500 (non-academics and dual academic/non-academic employment). In the case of a paper with multiple authorship, only one presenter can pay this reduced fee. Please note that **when submitting a paper you commit to present it if accepted, and payment of registration fees will thus be required by Thursday 10 April 2014 unless you withdraw in writing before that date.**

**Standard delegate fees:** EUR 1100 (non-academics and dual academic/non-academic employment), EUR 550 (academics, letter on University letterhead required). The fee includes all refreshments and lunches.

**Please note that payment of standard delegate fees must be received before 2 May 2014.**

All participants including presenters are responsible for their own travel and accommodation expenses.

A Conference dinner is organised on Thursday 22 May 2014 for which there will be an additional fee of EUR 45. In all cases, go to [www.aca-eu.net/FFM/2014](http://www.aca-eu.net/FFM/2014) and follow the relevant payment instructions.

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When completed this form should be scanned and returned to:

[J.Laws@liverpool.ac.uk](mailto:J.Laws@liverpool.ac.uk) or to Jason Laws, University of Liverpool Management School, Chatham Street, Liverpool L69 7ZH (UK).

#### Exhibitors:

We have a spacious exhibition area available throughout the Conference. For further information and costs, please contact Christian Dunis at [christian.dunis@orange.fr](mailto:christian.dunis@orange.fr).

#### Hotel Accommodation:

Hotel and other practical information can be found on our website: [www.ffm-conference.com](http://www.ffm-conference.com).

Any further questions relating to the Conference can be addressed to:

- Yves Doazan, CNRS, AMSE and Greqam, 2 rue de la Charité, F-13236, Marseille Cedex 2 (France)

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- Jason Laws, University of Liverpool Management School, Chatham Street, Liverpool L69 7ZH (UK)

e-mail: [J.Laws@liverpool.ac.uk](mailto:J.Laws@liverpool.ac.uk), Telephone: +44 151 795 3508

**More information can be found on our website:** [www.ffm-conference.com](http://www.ffm-conference.com).

**Cancellation Policy for Non-Presenters:** Should a delegate be unable to attend, a substitute may attend the Conference in his/her place. Notification of cancellation must be given in writing by letter or fax. Full refunds are available up to 2 May 2014, subsequently no refund will be given.

#### Publication of Papers:

Conference papers will be available on the Conference Proceedings, a copy of which will be given to each delegate. Authors are also invited to submit their work to the *European Journal of Finance* (E.J.F.) or the *Journal of Forecasting* which will both publish a special proceedings issue containing selected papers from the Conference.

# FORECASTING FINANCIAL MARKETS 2014

## CONFERENCE PROGRAMME

### Day 1: Wednesday 21 May 2014

#### SESSION 1 - ADVANCED MODELLING I

- 12:45** Registration
- 13:15** Opening Address
- 13:30** *Fundamentals and the Volatility of Real Estate Prices in China: A Mixed Frequency Approach*, Y. Deng, National University of Singapore, E. Girardin, Aix-Marseille University, France, and R. Joyeux, Macquarie University, Canada.
- 14:00** *A Hybrid Approach by Integrating Krill Herd Algorithm and Support Vector Regression for Stock Forecasting*, G. Sermpinis and Y. Ma, University of Glasgow, UK.
- 14:30** *Rolling Genetic Support Vector Regressions: An Inflation and Unemployment Forecasting Application in EMU*, C. Stasinakis, Bournemouth University, G. Sermpinis, University of Glasgow, A. Karathanasopoulos, University of East London, UK, and K. Theofilatos, University of Patras, Greece.
- 15:00** *Interventions and Inflation Expectations in an Inflation Targeting Economy*, P. Pincheira, Central Bank of Chile.
- 15:30** **Exhibits and Tea**
- 15:45** *Signal Diffusion Mapping: A New Time-Series Analysis Methodology for Modelling and Forecasting Based on Complex Lead-Lag Relationships*, P. Gaskell, F. McGroarty and T. Tiropanis, University of Southampton, UK.
- 16:15** *Testing for Nonlinearity in (Co)Variances*, B. Sanhaji, Aix-Marseille University, France.
- 16:45** *The Relationship Between Carbon Emission Prices, Energy Markets and Industrial Production in the EU*, V. Marimoutou and M. Soury, Aix-Marseille University, France.
- 17:15** *Euro-Dollar Exchange Rate and News: Market Behaviour Before and After the 2007-2008 Financial Crisis*, G. Cagliesi, University of Greenwich, UK, A. Della Bina, University of Bologna and M. Tivegna, University of Teramo, Italy.
- 17:45** **Close of session**
- 18:15** **Guided Tour of MuCEM (Museum of European and Mediterranean Civilisations)** [www.mu cem.org](http://www.mu cem.org)

### Day 2: Thursday 22 May 2014

**08:00** Coffee

#### PARALLEL SESSION 2 - TRADING STRATEGIES

- 08:30** *Are Investors Learning to Anticipate Trading Signals? Evidence from the Moving Average Rule in Three Developed Markets*, A. Urquhart, R. Hudson and B. Gebka, University of Southampton, UK.
- 09:00** *Volatility as a new class of assets? The Advantages of Using Volatility Index Futures in Investment Strategies*, R. Kokoszcyński, J. Jablecki, National Bank of Poland, P. Sakowski, R. Slepaczuk and P. Wójcik, University of Warsaw, Poland.
- 09:30** *The Information Content of Equity Block Trades on the Warsaw Stock Exchange. Conventional and Bootstrap Approaches*, B. Kurek, Cracow University of Economics, Poland.
- 10:00** **Exhibits and Coffee**
- 10:15** *Liquidity Resilience*, E. Panayi, G. Peters, UCL, J.-P. Zigrand and J. Danielsson, LSE, London, UK.
- 10:45** *Profitability of a Simple Pairs Trading Strategy: A Counter-Study*, G. Desvilles, CNAM, Paris, France.
- 11:15** *Implementing a Value Strategy into a Market Neutral Portfolio*, R. Hussein and J. Laws, University of Liverpool, UK.
- 11:45** **Lunch and Exhibits**

#### PARALLEL SESSION 3 - FUND MANAGEMENT AND PORTFOLIO OPTIMISATION

- 08:30** *Portfolio Diversification and the Commodity Futures Curve: Examination of the Time-to-Maturity Effect in Energy, Metal and Agricultural Markets*, M. A. Aygul, N. M. Kellard, L. Shen, University of Essex, UK.
- 09:00** *Dynamic Optimization of Portfolio Strategies Under Downside Risk Protection*, R. Schüssler, Helmut-Schmidt University, Hamburg, Germany.
- 09:30** *Understanding the Decision Making Process of Sovereign Wealth Funds: The Case of Temasek*, J.Y. Gnabo, M. Kerkour, University of Namur, Belgium, C. Lecourt, Aix-Marseille University, and H. Raymond, University of Paris-Nanterre, France.
- 10:00** **Exhibits and Coffee**
- 10:15** *How Credible is the People's Bank of China in Conducting its Monetary Policy?*, E. Girardin, Aix-Marseille University and S. Lunven, TAC Financial, Saint Hilaire des Landes, France.
- 10:45** *Semi-Parametric Universal Portfolios: Can A 'Performance Regret' Focus Enhance Portfolio Performance?*, P. O'Sullivan and D. Edelman, University College, Dublin, Eire.
- 11:15** *Static Portfolios for Optimal Multi-Period Investment with Finite Time Horizon*, P. O'Sullivan and D. Edelman, University College, Dublin, Eire.
- 11:45** **Lunch and Exhibits.**

#### PARALLEL SESSION 4 - ADVANCED MODELLING II

- 13:30** *Valuation and Sensitivities of a Write-Down Coco*, Y. Rakotondratsimba, ECE, Paris, France.
- 14:00** *Towards a Better Explanation of Asset Pricing Puzzles in Emerging Markets*, L. E. Oikonomikou, U. of Göttingen, Germany.
- 14:30** *Long-Term Sustainability in the PAYGO Pension System: The Role of the Contingency Fund*, H. Godinez-Olivares, M. de Carmen Boado-Penas and A. A. Pantelous, University of Liverpool, UK.
- 15:00** *Fast Valuation of Options Under Parameter Uncertainty*, E. Lindström and H. Wu, Lund University, Sweden.
- 15:30** **Exhibits and Tea**
- 15:45** *Quantitative Estimation of the Economic Impact from Investments in New Transport Infrastructure*, D. J. Dimitriou, J. C. Mourmouris and M. F. Sartzetaki, University of Thrace, Greece.
- 16:15** *Back Testing Basel III: Evaluating the 2002 Brazilian Confidence Crisis*, M. Zeuli, PUC, Rio de Janeiro, Brazil.
- 16:45** *The Impact of Trading Switch on Market Quality: Price, Liquidity, Volatility and Efficiency*, I. M. Bel Abed, Institut des Hautes Etudes Commerciales de Carthage, Tunis, Tunisia.
- 17:15** **Close of session**

#### PARALLEL SESSION 5 - 3<sup>rd</sup> INTERNATIONAL WORKSHOP ON "APPLYING COMPUTATIONAL INTELLIGENCE TECHNIQUES IN FINANCIAL TIME SERIES FORECASTING AND TRADING"

- organised by Professor S. Likothanassis**, Department of Computer Engineering and Informatics, U. of Patras, Greece.
- 13:30** **Keynote Address:** *Forecasting Financial Markets Using Evolutionary Computation*, S. Likothanassis.
- 14:00** *Trading the FTSE100 Index - 'Adaptive' Modelling and Optimisation Techniques*, P. W. Middleton, University of Liverpool, A. Karathanasopoulos, University of East London, UK, and K. Theofilatos, University of Patras, Greece.
- 14:30** *Modeling and Forecasting Intraday Price Movement of Liquid Options*, H.-J. von Mettenheim, Leibniz University and C. von Spreckelsen, Norddeutsche Landesbank, Hannover, Germany.
- 15:00** *GEPTrader: A New Advanced Short Term Forecasting and Trading Standalone Tool*, K. Theofilatos, S. Likothanassis, University of Patras, Greece, G. Sermpinis, University of Glasgow, and A. Karathanasopoulos, U. of East London, UK.
- 15:30** **Exhibits and Tea**
- 15:45** *Uncovering Dependencies Between European Markets using ESVM-Fuzzy Inference Trader*, T. Amorgianiotis, S. Likothanassis, U. Patras, E. Georgopoulos, Tech. Edu. Institute of Kalamata, Greece, and S. Mitra, U. of Glasgow, UK.
- 16:15** *A Data Driven Model by Integrating Support Vector Regression and Fuzzy Rules Based Systems for Daily Stock Turning Points Detection*, P. C. Chang, J. J. Lin, Yuan Ze University, Taoyuan, Taiwan, M. K. Tiwari and S. Deo, Indian Institute of Technology, Kharagpur, India.
- 16:45** *ATM Cash Withdrawal Prediction via Chaotic Time Series Analysis and Neural Networks*, V. Kamini, V. Ravi, IDRBT, Hyderabad and D. Kumar, Indian Institute of Science, Bangalore, India.
- 17:15** **Close of session**

### Day 3: Friday 23 May 2014

**08:00** Coffee

#### PARALLEL SESSION 6 - EQUITY MARKETS

- 08:30** *Impact of Macroeconomic Announcements on US Equity Prices: 2009 - 2013*, D. Nadler and A. B. Schmidt, Kensho Technologies, Cambridge, Mass., USA.
- 09:00** *The Microstructure of Individual Equity Options: Firm-level and Common Effects on Liquidity*, T. Verousis, University of Bath, and O. ap Gwilym, Bangor University, UK.
- 09:30** *Macro Determinants of U.S. Stock Market Risk Premia: Do Market States Matter?*, F. Bätje, Leibniz University, Hannover, and L. Menkhoff, Kiel Institute for the World Economy, Germany.
- 10:00** **Exhibits and Coffee**
- 10:15** *Persistence of Announcement Effects on the Intraday Volatility of Stock Returns: Evidence from Individual Data*, S. Lecarpentier-Moyal, University of Paris-Créteil, P. Renou-Maissant, U. Caen, G. Prat and R. Uctum, U. of Paris-Nanterre.
- 10:45** *A Study of Stock Market Integration of Newly Listed Firms: A Survival Analysis Approach*, A. Goyal, A. Mohamed, University of Liverpool, UK, and C. B. Muckley, University College Dublin, Eire.
- 11:15** *The Impact of Analyst Recommendations on Stock Prices in Austria (2000-2014)*, M. Murg, M. Pachler and A. Zeitzberger, Karl-Franzens University, Graz, Austria.
- 11:45** **End of Conference, Lunch and Exhibits**

#### PARALLEL SESSION 7 - FORECASTING

- 08:30** *Investor Sentiment and Forecasting Ability: Evidence from COT Reports in Precious Metal Futures Markets*, Y. Zhang and J. Laws, University of Liverpool, UK.
- 09:00** *Grey-Box Methods in Forecasting Financial Markets*, J. A. Sorlie, Caixa Cinzenta SA, Lisbon, Portugal.
- 09:30** *Forecasting Exchange Rates - A Factor Approach*, M. Hadla, J. Coakley and S. Snaith, University of Essex, UK.
- 10:00** **Exhibits and Tea**
- 10:15** *The Elusive Predictive Ability of Global Inflation*, C. A. Medel, M. Pedersen and P. Pincheira, Central Bank of Chile.
- 10:45** *FOREX Rate Prediction Using Chaotic Hybrid Models*, D. Pradeepkumar and V. Ravi, IDRBT, Hyderabad, India.
- 11:15** *Forecasting International Gold Prices: An Application of Time Series Analysis*, F. Naz, University of Management and Technology, Lahore, Pakistan.
- 11:45** **End of Conference, Lunch and Exhibits**