



NUS
National University
of Singapore



THIRTEENTH ANNUAL RISK MANAGEMENT CONFERENCE

Conrad Centennial Singapore – 25 July 2019

(North South Ballroom, Level 2)

Thursday, 25 July 2019	
8:10 – 8:50	Registration
8:50 – 9:00	Welcome and Introductory Remarks <u>Prof. Sun Yeneng</u> , Director, NUS Risk Management Institute (RMI) and Goh Keng Swee Professor of Economic, NUS
9:00 – 10:00	Keynote Talk
	Topic: Systemic Risk Speaker: <u>Prof. Dr. Martin Hellwig</u> , Director Emeritus, Max Planck Institute for Research on Collective Goods and Honorary Foreign Member, American Academy of Arts and Sciences
10:00 – 10:20	Coffee Break
10:20 – 11:30	Panel 1
	Current Challenges in Applied Risk Management <ul style="list-style-type: none"> • Macroeconomic and geo-political uncertainty: how to frame it and how to navigate it from the perspectives of banks, asset managers, and regulators • New dimensions of risk and mitigation methods provided by technology innovation • Model risk management: robust stress testing model risk coverage and alignment across multiple external regulatory regimes • Capital and risk taking behavior of financial institutions Speakers: <u>Mr. Gary Ang</u> , Former Head of Investment Risk Management, Monetary Authority of Singapore <u>Mr. Chan Kok Seong</u> , Chief Risk Officer, UOB <u>Mr. Eric Lian</u> , Group Chief Credit Officer, Wholesale Credit Risk Management, OCBC <u>Dr. Grace Qiu</u> , Senior Vice President, Economics and Investment Strategy Department, GIC <u>Dr. Jochen Schmittmann</u> , Head, International Monetary Fund, Singapore Representative Office Session Chair: <u>Mr. Lutfey Siddiqi</u> , Adjunct Professor, NUS RMI
11:30 – 12:40	Panel 2 (Jointly organized with IACPM)
	Climate Change: Managing a New Financial Risk Implications for Asia <ul style="list-style-type: none"> • Climate change and risks for financial institutions: developments in Asia and globally • Results of IACPM Oliver Wyman benchmarking • Implications and path forward Speakers: <u>Mr. Robert Bailey</u> , Director, Climate Resilience, Marsh & McLennan Companies <u>Mr. Gaurav Kwatra</u> , Principal, Oliver Wyman

	<p>Linking Climate Risk into Portfolio Management</p> <ul style="list-style-type: none"> Emerging risks and opportunities of climate change and transition risk Linking strategic and reputational risks into financial metrics and business decision making Transforming financial institutions' business models <p>Panel Speakers: Mr. Robert Bailey, Director, Climate Resilience, Marsh & McLennan Companies Mr. Abhishek Dangra, Senior Director and Sector Lead for Infrastructure, South and Southeast Asia, Global Infrastructure Ratings, S&P Global Mr. Gaurav Kwatra, Principal, Oliver Wyman Ms. Roshel Mahabeer, Executive Director, Sustainable Finance, Standard Chartered Bank</p> <p>Session Chair: Ms. Marcia Banks, Deputy Director, IACPM</p>			
12:40 – 14:00	Lunch			
14:00 – 15:40	Track A (w/IMS)	Track B	Track C	Track D
Session 1	<p><u>Invited Speakers</u></p> <p><u>Session Chair</u> Ying Chen (National University of Singapore)</p> <ol style="list-style-type: none"> <i>FinTech Econometrics</i> Steven Kou (Boston University) <i>Non-Concave Utility Maximization without the Concavification Principle</i> Min Dai (National University of Singapore) 	<p><u>Title: Firm Risk</u></p> <p><u>Session Chair</u> Rezaul Kabir (University of Twente)</p> <ol style="list-style-type: none"> <i>Information Frictions in New Venture Finance: Evidence from Product Hunt Rankings</i> Ruiqing Cao (Harvard University) <i>Market-wide Events and Time Fixed Effects</i> Elvira Sojli Wing Wah Tham (University of New South Wales) Wendun Wang <i>The Network of Firms Implied by the News</i> Gustavo Schwenkler (Boston University) Hannan Zheng <i>The Effect of Customer Concentration on Firm Risk</i> Rezaul Kabir (University of Twente) Maziah Nor 	<p><u>Title: Understanding and Modelling Risk</u></p> <p><u>Session Chair</u> Christopher Ting (Singapore Management University)</p> <ol style="list-style-type: none"> <i>Model Risk and Disappointment Aversion</i> Hasan Fallahgoul (Monash University) Loriano Mancini Stoyan Stoyanov <i>Hedging with an Edge: Parametric Currency Overlay</i> Pedro Barroso (University of New South Wales) Marco Menichetti Jurij Reicheneker <i>Why Risk Managers?</i> Kaushalendra Kishore (University of Minnesota) <i>Market Price of Trading Liquidity Risk and Market Depth</i> Masaaki Kijima Christopher Ting (Singapore Management University) 	<p><u>Title: Asset Return and Risk I</u></p> <p><u>Session Chair</u> Sungjune Pyun (National University of Singapore)</p> <ol style="list-style-type: none"> <i>A Risk-Sharing Framework of Bilateral Contracts</i> Junbeom Lee (National University of Singapore) Stephan Sturm Chai Zhou <i>Countercyclical Stockholders' Consumption Risk and Tests of Conditional CCAPM</i> Redouane Elkamhi Chanik Jo (University of Toronto) <i>Shrinking Factor Dimension: A Reduced-Rank Approach</i> Dashan Huang (Singapore Management University) Jiaen Li Guofu Zhou <i>Variance Risk Premium in Individual Stocks: Aggregating Factor Variance Risk</i> Sungjune Pyun (National University of Singapore)

15:40 – 16:00	Coffee Break			
16:00 – 17:40	Track A (w/IMS)	Track B	Track C	Track D
Session 2	<p><u>Title: Stochastic Control and Finance</u></p> <p><u>Session Chair</u> Steven Kou (Boston University)</p> <p>3. <i>Penalty Method for Portfolio Selection with Capital Gains Tax</i> Shuaijie Qian (National University of Singapore)</p> <p>4. <i>Exploration Versus Exploitation in Reinforcement Learning: A Stochastic Control Approach</i> Haoran Wang (Columbia University)</p> <p>5. <i>Robust Hypothesis Testing: Separating Ambiguity from Risk</i> Wei Jiang (National University of Singapore)</p> <p>6. <i>Investing with Cryptocurrencies – On the Informative Effects of Experts Sentiment</i> Simon Trimborn (National University of Singapore)</p>	<p><u>Title: Credit Risk</u></p> <p><u>Session Chair</u> Pasquale Della Corte (Imperial College London)</p> <p>5. <i>The Risk of Betting on Risk: Conditional Variance and Correlation of Bank Credit Default Swaps</i> Xin Huang (Federal Reserve Board)</p> <p>6. <i>Risk Endogeneity at the Lender/Investor-of-Last-Resort</i> Diego Caballero Andre Lucas Bernd Schwaab (European Central Bank) Xin Zhang</p> <p>7. <i>Contingent Claims and Hedging of Credit Risk with Equity Options</i> Davide Avino (University of Liverpool) Enrique Salvador</p> <p>8. <i>A Credit-Based Theory of the Currency Risk Premium</i> Pasquale Della Corte (Imperial College London) Alexandre Jeanneret Ella Patelli</p>	<p><u>Title: Macro and International Finance</u></p> <p><u>Session Chair</u> Chang Ma (Fudan University)</p> <p>5. <i>Are Bond Returns Predictable with Real-Time Macro Data</i> Dashan Huang Fuwei Jiang (Central University of Finance and Economics) Guoshi Tong Guofu Zhou</p> <p>6. <i>Central Bank Intervention in the Equity ETF Market: Monetary Policy through the Stock Market</i> Zhuo Chen Keiichi Takeshi Yamada (Australian National University) Bohui Zhang</p> <p>7. <i>Time-Varying Probabilities of Consumption Disasters</i> Xiaoyu Huang Tao Jin (Tsinghua University) Hao Zhou</p> <p>8. <i>Domestic Institutions and the Volatility of International Capital Flows</i> Chang Ma (Fudan University) Shangjin Wei</p>	<p><u>Title: Asset Return and Risk II</u></p> <p><u>Session Chair</u> Eric Tham (EDHEC Singapore)</p> <p>5. <i>Do Fundamentals Drive Cryptocurrency Prices?</i> Siddharth M. Bhambhwani (Hong Kong University of Science and Technology) George Korniotis Stefanos Delikouras</p> <p>6. <i>Asymmetric Variance Premium, Skewness Premium, and the Cross-Section of Stock Return</i> Junye Li (ESSEC Business School) Tao Huang</p> <p>7. <i>Carbon Risk</i> Max Goergen Andrea Jacob Martin Nerlinger Ryan Riodan Martin Rohleder Marco Wilkens (University of Augsburg)</p> <p>8. <i>Sentiment, Habits and the Value Premium</i> Eric Tham (EDHEC Singapore)</p>
<p>Notes:</p> <p>1. Keynote lecture: 50 minutes for presentation and 10 minutes for Q&A.</p> <p>2. Session 1 talks (Track A): 50 minute invited talk in collaboration with NUS Institute for Mathematical Sciences (IMS)</p> <p>3. Session 2 talks (Track A): 20 minutes for presentation, 5 minutes for Q&A.</p> <p>4. Session 1 & 2 talks (Tracks B, C, & D): 20 minutes for presentation, 5 minutes for Q&A.</p>				

Organized by NUS Risk Management Institute (RMI) in collaboration with International Association of Credit Portfolio Managers (IACPM)