



## FINANCIAL MARKETS AND REAL ACTIVITY

### CERCLE REPUBLICAIN

Paris, 20 – 21 November 2008

Thursday, November 20, 2008

- **WELCOME ADDRESS** (8:15 – 8:30)

Banque de France;

- **SESSION 1** (8:30 – 10:00): **INTEREST RATE TERM PREMIA**

*Chairman* G. Rudebusch (Federal Reserve Bank of San Francisco)

*“Term premiums and the predictability of recessions”*

Speaker : A. Estrella (Rensselaer Polytechnic Institute)  
Discussant: H. Dewachter (Katholieke Universiteit Leuven)

*“No-arbitrage near-cointegrated VAR(p) term structure models, term premia and GDP growth”*

Speaker: C. Jardet (Banque de France)  
Discussant: P. Hordahl (Bank for International Settlement)

- **COFFEE BREAK** (10:00 – 10:30)

- **SESSION 2** – (10:30 – 12:00): **FACTOR TERM STRUCTURE MODELS**

*Chairman* G. Laroque (CREST, Paris)

*“Correlation risk and term structure of interest rates”*

Speaker: F. Trojani (University Lugano and University of St. Gallen)  
Discussant: P. Gruber (University of St. Gallen)

*“Information in (and not in) the term structure”*

Speaker: G. Duffee (Haas School of Business, University of California - Berkeley)  
Discussant: M. Chernov (London Business School)

- **INVITED LECTURE 1** – (12:00 – 13:00):

*“Macro-Finance Models of Interest Rates and the Economy”*

Glenn Rudebusch (Federal Reserve Bank of San Francisco)

- **LUNCH TIME** (13:00 – 14:30)

- **SESSION 3** (14:30 – 16:00): **LONG-RUN RISKS**

*Chairman* L. Calvet (HEC Paris)

*“Longevity risk and retirement savings”*

Speaker: J. Cocco (LBS)

Discussant: B. Melenberg (Tilburg University)

*“What’s vol got to do with it”*

Speaker: A. Yaron (The Wharton School, University of Pennsylvania)

Discussant: I. Ghattassi (Banque de France)

- **COFFEE BREAK** (16:00 – 16:30)

- **SESSION 4** (16:30 – 18:00): **BUSINESS CYCLE ANALYSIS**

*Chairman* A. Estrella (Rensselaer Polytechnic Institute)

*“Demography, technology and fluctuations in the US dividend yields”*

Speaker: C. Favero (Bocconi University)

Discussant: P. Andrade (Banque de France)

*“Cyclical properties of US asset returns”*

Speaker: D. Backus (Stern Business School, NYU)

Discussant: F. Collard (Toulouse School of Economics)

- **DINNER (20:00) (Invitation Only)**

*Friday, November 21, 2008*

- **SESSION 5** (8:30 – 10:00): **RISK AND LIQUIDITY PREMIA**

*Chairman* L. Clerc (Banque de France)

*“A DSGE model of term structure with regime shifts”*

Speaker: O. Tristani (ECB)

Discussant: J. Matheron (Banque de France)

*“Bond liquidity premia”*

Speaker: R. Garcia (EDHEC Business School)

Discussant: M. Lyrio (Warwick Business School)

- **COFFEE BREAK** (10:00 – 10:30)

- **SESSION 6** (10:30 – 12:00): **PORTFOLIO ALLOCATION**

*Chairman* F. Mishkin (Columbia Business School)

*“Optimal life-cycle asset allocation with housing as a collateral”*

Speaker: H. Zhang (School of Management, University of Texas at Dallas)

Discussant: V. Borge (Banque de France)

*“Fight or Flight: Portfolio Rebalancing by Individual Investors”*

Speaker: L. Calvet (HEC Paris)

Discussant: E. Henriksen (University of Oslo)

- **INVITED LECTURE 2** – (12:00 – 13:00):

*“Is Monetary Policy Effective during Financial Crises?”*

Frederic Mishkin (Columbia Business School)

- **LUNCH TIME** (13:00 – 14:30)

- **SESSION 7** – (14:30 – 16:00): **MORTALITY AND LONGEVITY RISK**

*Chairman* R. Garcia (EDHEC Business School)

*“Quadratic stochastic intensity and prospective mortality tables”*

Speaker: A. Monfort (CREST-CNAM-Banque de France)

Discussant: M. Rockinger (HEC Lausanne)

*“Longevity risk in annuity portfolios: the effect of product design and portfolio composition”*

Speaker: B. Melenberg (Tilburg University)

Discussant: C. Gouriéroux (Toronto University – CREST)

- **COFFEE BREAK** (16:00 – 16:30)

- **SESSION 8** (16:30 – 18:00): **VOLATILITY, JUMPS AND SPANNING**

*Chairman* C. Gouriéroux (University of Toronto and CREST)

*“Risk premium accounting in Gaussian macro-dynamic term structure models”*

Speaker: S. Joslin (MIT Boston)

Discussant: P. Gagliardini (University of Lugano)

*“Bond risk premia and realized jump risks”.*

Speaker: H. Zhou (Federal Reserve Board)

Discussant: N. Meddahi (Toulouse School of Economics)

- **CLOSING ADDRESS** : Banque de France