



# Derivatives and Volatility 2017: The State of the Art

Presented by  
The NASDAQ Derivatives Research Project and The Volatility Institute  
April 27-28, 2017 | 44 West Fourth Street, New York, NY

Thursday, April 27, 2017		All sessions located in KMC 5-50
7:45am	Registration in Henry Kaufman Management Center (KMC) lobby, Continental Breakfast in KMC 1-100	
8:45-9:00am	<b>Welcome Remarks:</b> Peter Blair Henry, <i>Dean, NYU Stern School of Business</i>	
9:00-10:30am	<b>Session 1</b> <span style="float: right;">Chair: <b>Menachem Brenner</b>, <i>NYU Stern School of Business</i></span> <b>Peter Carr</b> , <i>NYU Tandon School of Engineering</i> “Vol, Skew, and Smile Trading” (co-authored with Liuren Wu)  <b>Dilip Madan</b> , <i>Robert H. Smith School of Business, University of Maryland</i> “Conic Option Pricing: Or How to Price an Option” (co-authored with Wim Schoutens)  <b>Peter Christoffersen</b> , <i>Rotman School of Management, University of Toronto</i> “Time-Varying Crash Risk: The Role of Stock Market Liquidity” (co-authored with Bruno Feunou, Yoontae Jeon, and Chayawat Ornthanalai)	
10:30-11:00am	Refreshment Break	
11:00-12:30pm	<b>Session 2</b> <span style="float: right;">Chair: <b>Matthew Richardson</b>, <i>NYU Stern School of Business</i></span> <b>Francis Diebold</b> , <i>University of Pennsylvania</i> “The Econometrics of Financial and Macroeconomic Networks: Retrospect and Prospect”  <b>Michael Wolf</b> , <i>University of Zurich</i> “Large Dynamic Covariance Matrices” (co-authored with Robert Engle and Olivier Ledoit)  <b>Eric Ghysels</b> , <i>University of North Carolina, Chapel Hill</i> “Granularity and (Downside) Risk in Equity Markets” (co-authored with Hanwei Liu and Steve Raymond)	
12:30-2:00pm	Lunch   Located in the Gardner Commons (KMC 1-100) with additional seating in Tisch L101	
2:00-3:00pm	<b>WHAT'S NEW IN V-LAB?</b> <b>Robert Engle</b> , <i>NYU Stern School of Business</i>	
3:00-3:30pm	Refreshment Break	
3:30-5:00pm	<b>Session 3</b> <span style="float: right;">Chair: <b>Kim Schoenholtz</b>, <i>NYU Stern School of Business</i></span> <b>Robert Merton</b> , <i>MIT Sloan School of Management</i> “On the Role of Financial Innovation and Derivative Markets in Global Economic Growth and Development”  <b>Eduardo Schwartz</b> , <i>Anderson Graduate School of Management, University of California, Los Angeles</i> “Commodity Pricing Models”  <b>Hayne Leland</b> , <i>University of California, Berkeley</i> “New Results in Dynamic Capital Structure” (co-authored with Dirk Hackbarth)	
5:00pm	Cocktail Reception   Located in the Gardner Commons (KMC 1-100)	

8:00am	Registration: Henry Kaufman Management Center (KMC) lobby and Continental Breakfast in KMC 5-50
9:00-10:30am	<p><b>Session 1</b> Chair: <b>Johannes Stroebel</b>, <i>NYU Stern School of Business</i></p> <p><b>John Hull</b>, <i>Rotman School of Management, University of Toronto</i>  “Optimal Delta Hedging for Options”  (co-authored with Alan White)</p> <p><b>Stephen Figlewski</b>, <i>NYU Stern School of Business</i>  “An American Call IS Worth More Than a European Call”</p> <p><b>Bryan Kelly</b>, <i>University of Chicago Booth School of Business</i>  “Forecasting the Distribution of Option Returns”  (co-authored with Roni Israelov)</p>
10:30-11:00am	Refreshment Break
11:00-12:30pm	<p><b>Session 2</b> Chair: <b>Xin Zhou</b>, <i>NYU Shanghai</i></p> <p><b>Torben Andersen</b>, <i>Kellogg School of Management, Northwestern University</i>  “Unified Inference for Option Panels with Fixed and Large Time Span”  (co-authored with Nicola Fusari, Viktor Todorov, and Rasmus Varneskov)</p> <p><b>Tim Bollerslev</b>, <i>Duke University</i>  “Modeling and Forecasting (Un)Reliable Realized Covariances for More Reliable Financial Decisions”  (co-authored with Andrew Patton and Rogier Quaedvlieg)</p> <p><b>Michael Johannes</b>, <i>Columbia Business School</i>  “Option Pricing of Earnings Announcement Risks”  (co-authored with Andrew Dubinsky, Andreas Kaeck, and Norman Seeger)</p>
12:30-2:00pm	<p><b>LUNCHEON SPEAKER</b> Lunch in the Barr-Kawamura Commons (KMC 5-50)</p> <p><b>Darrell Duffie</b>, <i>Stanford University</i> Chair: <b>Stephen Figlewski</b>, <i>NYU Stern</i>  “Good and Bad Unintended Consequences of New Regulations for Derivatives Markets”  (Based in part on research with Leif Andersen, Arvind Krishnamurthy, Yang Song, and Haoxiang Zhu)</p>
2:00-3:30pm	<p><b>Session 3</b> Chair: <b>Itamar Drechsler</b>, <i>NYU Stern School of Business</i></p> <p><b>Liuren Wu</b>, <i>Zicklin School of Business, Baruch College, City University of New York</i>  “Decomposing Long Bond Returns”  (co-authored with Peter Carr)</p> <p><b>Ralph Koijen</b>, <i>NYU Stern School of Business</i>  “The Fragility of Market Risk Insurance”  (co-authored with Motohiro Yogo)</p> <p><b>Paul Glasserman</b>, <i>Columbia Business School</i>  “The Market-Implied Probability of Government Intervention in Distressed Banks”  (co-authored with Richard Neuberger, Benjamin Kay, and Sriram Rajan)</p>
3:30-4:00pm	Refreshment Break
4:00-5:00pm	<p><b>Distinguished Panel: Risk, Volatility and Derivatives in an Era of High Uncertainty</b></p> <p>Moderator: <b>Robert Engle</b>, <i>NYU Stern School of Business</i></p> <p><b>Bluford Putnam</b>, <i>Chief Economist and Managing Director of the Strategic Intelligence &amp; Analytics team, CME Group</i></p> <p><b>Bruno Dupire</b>, <i>Head of Quantitative Research, Bloomberg L.P.</i></p> <p><b>Frank Hatheway</b>, <i>Chief Economist, NASDAQ</i></p> <p><b>Darrell Duffie</b>, <i>Dean Witter Distinguished Professor of Finance, Stanford University</i></p>



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