

*PROGRAM OF JIC 99*

---

*The 5<sup>th</sup>*

*JAFEE*

*International Conference*

---

**August 28-29, 1999**

**Ibuka Memorial Hall,  
International Conference Center  
Waseda University  
Tokyo, Japan**

*The Japanese Association of Financial Econometrics and Engineering*

**(日本金融・証券計量・工学学会)**

**11:00 ~ 11:05 Opening Speech**

**11:05 ~ 12:05 Japanese Session I**

J-1 Effective Portfolio Strategy through Consideration of Estimation Risk

Hiroyuki Kashima (IBJ-DL Financial Technology)

J-2 The Search for the Optimal Method of Rebalancing Pension Assets

Kiyoshi Suzuki (Nomura Securities)

J-3 Boltzmann Model in Financial Technology

Yuji Uenohara (Toshiba), Ritsuo Yoshioka (Toshiba)

**12:05 ~ 12:15 Coffee Break**

**12:15 ~ 13:35 Japanese Session II**

J-4 Valuing Corporate Debt: The Effect of Cross-Holdings

Teruyosi Suzuki (NLI Research Institute)

J-5 A Markov Model for the Term Structure of Credit Risk Spread

Kimiaki Aonuma (Bank of Tokyo-Mitsubishi)

J-6 Volatility Smiles in the Interest Rate Option Market and the Non-normal Skewness and Kurtosis in Option-implied Distributions

Yuriko Ishida (IBJ-DL Financial Technology), Kyosui Oh (IBJ-DL Financial Technology)

J-7 Optimal Environmental Improvement Policy under Uncertainty

Motoo Tsujimura (Osaka University)

**13:35 ~ 14:50**

**Lunch**

**14:50 ~ 16:10 Financial Time Series Econometrics**

1-1 Empirical Analysis on the Term Structure of Japanese Interest Rates

-Centering on the Effects of Monetary Policy-

Takayasu Ito (Kyodo News)

1-2 Statistical Method of Estimating JGB Volatility Hedge-Ratios Based on Multivariate GARCH Models

Akira Hirata (Daiwa Securities SB Capital Markets)

1-3 An EGARCH Model with Possible Asymmetric Error Distributions and its Application to TOPIX

Yoshihiko Tsukuda (Tohoku University), Junji Shimada (Tohoku University)

1-4 The Return Behavior and Distribution of the Dollar/Yen Currency Market

Fumio Nakakubo (NLI Research Institute)

**16:10 ~ 16:20**

**Coffee Break**

**16:20 ~ 18:20 Guest Session I**

GI-1 Gaussian Estimation and Forecasting of Multi-Factor Term Structure Models with an Application to the United Kingdom and Japan

K. Ben Nowman (The University of Kent)

GI-2 Formulation of Popular Interest Rate Models under the HJM Framework

Carl Chiarella (University of Technology Sydney), Oh Kang (University of Technology Sydney)

GI-3 Risk Measures

Freddy Delbaen (ETH Zurich)

**18:30 ~**

**Welcome Party**

**Okuma Garden House**

**9:30 ~ 10:50 Stock Market Analysis**

- 2-1 Practical Consideration of Dimensionality Reduction for Risk Control Method Using Principal Component Analysis, Noboru Nishiyama (Graduate School of Tokyo Institute Technology)
- 2-2 The Stock Price and the Trading Volume of Financially Distressed Firms  
Masaaki Yamada (Tokai International Securities), Jay R Rajasekera (International University of Japan)
- 2-3 On the Robustness of the Market Value of Equity as Risk Absorber in Cross-Sectional Regressions  
Xavier Garza-Gomez (Nagoya City University), Jiro Hodoshima (Nagoya City University),  
Michio Kunimura (Nagoya City University)
- 2-4 An Empirical Study of Testing PPP Hypotheses between Japan and the Six G7 Countries  
Yoshihiko Tsukuda (Tohoku University), Tatsuyoshi Miyakoshi (Niigata University)

**10:50 ~ 11:00**

**Coffee Break**

**11:00 ~ 12:20 Derivative Pricing**

- 2-5 Model Effects in the Pricing of a Credit Spread Option  
Koichi Miyazaki (Goldman Sachs), Tadashi Inoue (AXA Japan)
- 2-6 A Characterization of Default-Yield-Spread via Quantile Hedging  
Jun Sekine (Osaka University)
- 2-7 Minimal Relative Entropy Martingale Measures and their Application to Option Pricing Theory  
Yoshio Miyahara (Nagoya City University)
- 2-8 Pricing the Mortgage – Backed Securities (MBS) – A Model Describing the Burnout Effect –  
Takeaki Kariya (IBJ-DL Financial Technology), Masaaki Kobayashi (IBJ-DL Financial Technology)

**12:20 ~ 13:00**

**General Meeting**

**13:00 ~ 14:00**

**Lunch**

**14:00 ~ 15:00 Portfolio Management**

- 2-9 The Optimal Log-Utility Asset Management Schemes and its Application to the U.S. Stock Market  
Hiroshi Ishijima (Keio University), Hiroshi Shirakawa (Tokyo Institute of Technology)
- 2-10 Estimates of Beta in the Market Model, based on Rank Statistics, in Comparison with LSE  
Ryozo Miura (Hitotsubashi University)
- 2-11 Experimental Studies of an International Portfolio Model using Integrated Optimization Approach  
Hiroshi Konno (Tokyo Institute of Technology), Jing Li (Tokyo Institute of Technology)

**15:00 ~ 15:10**

**Coffee Break**

**15:10 ~ 16:30 Guest Session II**

- GII-1 Models with Transaction Costs: Criteria of No-Arbitrage and Hedging Theorems  
Yuri Kabanov (Universite de Franche-Comte)
- GII-2 On the Log-Return Distribution of Trade Weighted Currency Indices  
Simon Hurst (University of Technology Sydney), Eckhard Platen (University of Technology Sydney)

**16:30 ~ 16:40**

**Coffee Break**

**16:40 ~ 18:00 Financial Technology**

- 2-12 Arbitrage Free Condition of Recovery Rates under Jarrow-Turnbull Model  
Hiroshi Shirakawa (Tokyo Institute of Technology)
- 2-13 Lattice Calculation for Forward LIBOR Model  
Tadashi Uratani (Hosei University), Makoto Utsunomiya (Bank of Tokyo-Mitsubishi)
- 2-14 Real Option Analysis of Kanshi Kuiki System  
Hiroshi Yamaguchi (The Nippon Fire & Marine Insurance)
- 2-15 Real Estate Investment as a Real Options with Spatial Dependency  
Yuichiro Kawaguchi (Meikai University)

**18:00 ~ 18:05 Closing Speech**

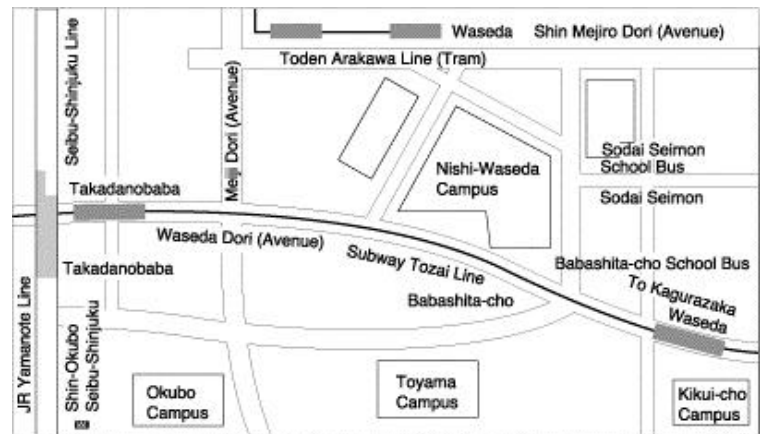
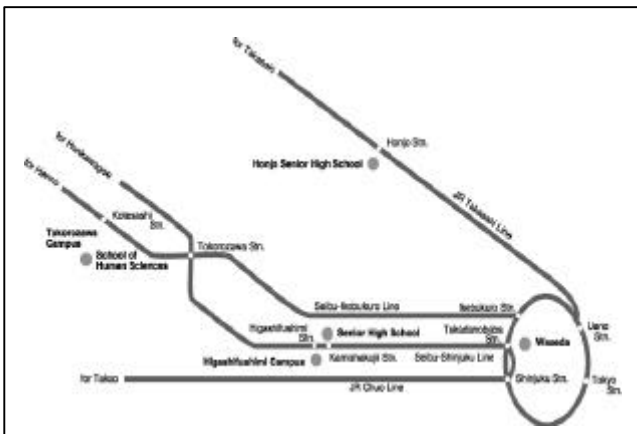
---

**Waseda University**  
1-6-1 Nishi-Waseda Shinjuku-ku, Tokyo Japan

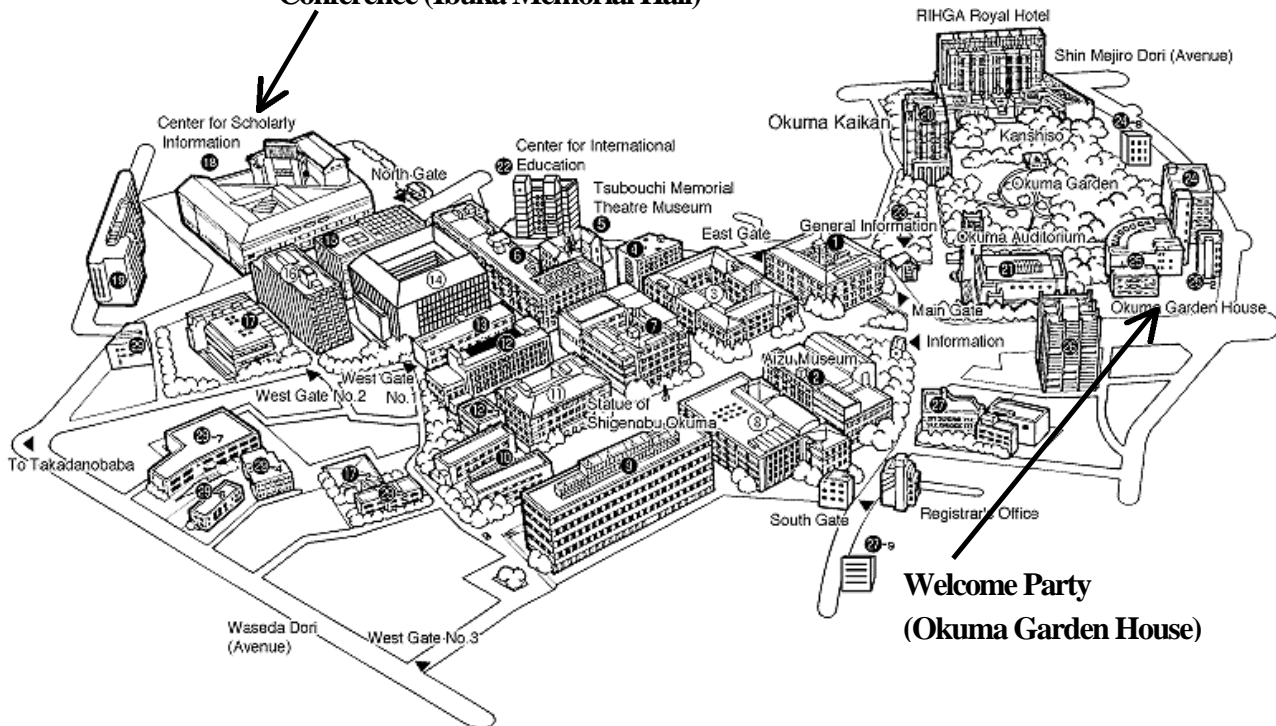
**TRANSPORTATION**

- By JR Yamanote Line or Seibu-Shinjuku Line - Takadanobaba Station (Approx. 20 min. walk)  
By Subway Tozai Line Waseda Station (Approx. 5 min. walk)
- By Tokyo City Bus – Routes : Shinjuku Station (West Exit) to Waseda (Bus Stop: Sodai Seimon/Approx.1 min walk), Shibuya Station to Sodai Seimon or Ueno Ma tsuzakaya to Waseda (Approx. 2 min. walk)
- By Tokyo City Bus (School Bus) - Route: Takadanobaba Station to Sodai Seimon
- By Toden Arakawa Line (Tram) - Route: Minowabashi to Waseda (Approx. 5 min. walk)

**CAMPUS MAP**



**Conference (Ibuka Memorial Hall)**



**Information**

Yasunori Katsurayama (Waseda University) E-mail [yasunori@cf.socs.waseda.ac.jp](mailto:yasunori@cf.socs.waseda.ac.jp)  
Phone +813-3203-4141(Ext. 6438), Facsimile +813-5286-3828