For Favour of Posting

THE CHINESE UNIVERSITY OF HONG KONG

Department of Statistics

will present a seminar entitled

Modelling Multivariate Volatilities by Common Factors: An Innovation Expansion Approach

by

Professor Qi-Wei Yao
London School of Economics

on

Monday, 3 July 2006
2:30pm – 3:30pm

in

Lady Shaw Building C3
The Chinese University of Hong Kong

Abstract:

We propose to model multivariate volatilities by common factors. Those unobservable common factors are identified via expanding the innovation space step by step; therefore solving a high-dimensional optimisation problem by many low-dimensional sub-problems. The asymptotic theory of the estimation method has been established. Numerical examples illustrate the proposed methodology.

All are Welcome