
The Newsletter of the EURO Working Group on Financial Modelling

NEWSFLOW

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NEWSFLOW

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Subscription is free for members of the EURO Working Group on Financial Modelling. See last page for information on membership.

Invitation to readers

Readers are invited to actively contribute to the newsletter. Examples are book reviews, announcements, opinions, lists of published papers, etc.

You can also find information about the Euro Working Group on the internet site

<http://www2.eur.nl/topics/finance/ewgfm/ewgfm.htm>

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Editorial

...and soon it's time for another meeting with The Euro Working Group on Financial Modelling (EWGFM), the XVII or, in plain English, the 42nd in Stockholm, Sweden. We write 2008. The (financial) world is in between anticipation and apprehension. Some would perhaps like to add the list with the word 'panic'. High risk lending has led to a credit crunch in USA and the UK. One bank after another is reporting heavy credit losses and one bank, the Northern Rock in the UK, is already down and the British government has had to step in. A year and a half ago, just before the EWGFM's 39th meeting (I'll skip the Roman letters) the organiser of the Nice meeting Michel Henry Bouchet in this very Newsflow letter, rhetorically asked: "Are we thus sitting on a financial volcano? Risk management is more and more complex due to both the global integration of markets and NTIC."

At the backdrop of the world financial market events the Stockholm meeting will highlight two areas, financial derivatives and corporate governance. Key note speakers professors Louis Ederington and Stewart Hodges will provide further insights to theoretical developments within the area of derivatives. To what extent do these instruments and markets help actors in the financial markets to control risks? Bouchet stated that risk management is becoming more and more complex – are derivatives means to reduce and control these risks, or do they exacerbate them?

Professor Christine Mallin will give a key note address on corporate governance. Is this financial modelling? Perhaps not, or at least, not only. But the subject has a significant bearing on the financial market, its institutions and actors, or, risk management.

In addition to the topics covered in the key note addresses the meeting will include some 40 papers by authors from all corners of the globe. The topics are in financial modelling, fund management, corporate finance and banking. Hopefully we will leave the meeting feeling a little more knowledgeable.

See you in Stockholm!

Thomas Hartman

Call for papers EJOR

Thus far, the European Journal of Operational Research has published a number of special issues on Financial Modelling:

Issue 74/2, edited by T. Martikainen, I. Virtanen and P. Yli-Olli;

Issue 91/2, edited by E. Castagnoli and J. Spronk. In 1998, the European Journal of Operational Research together with the EURO Working Group on Financial Modelling decided to start a more regular series of feature issues.

A feature issue on financial modelling is an issue of EJOR partly or wholly devoted to financial modelling. The intended frequency of these feature issues on financial modelling is once or twice per year.

Papers on financial modelling are solicited that help to solve financial-economic decision problems in practice. Papers may relate to new insights, both theoretical and empirical, into the environment in which decision makers operate new tools available to the decision makers and to the integration of these tools within frameworks for financial-economic decision-making. Papers that stimulate and strengthen the interaction between financial economic theory and the practice of financial decision-making will be especially welcome.

The first feature issue was published as Issue Volume 114, Number 2, April 16, 1999, and edited by J. Spronk. A stream of issues followed this; some of which have been published and the others will follow soon.

Authors who want to submit to the upcoming feature issue are kindly invited to submit four copies of their paper to the Guest Editor Financial Modelling:

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With respect to format and other requirements of submitted work, the authors are kindly referred to the Instructions to Authors, which can be found in every issue of EJOR. For the feature papers there is a separate board of editors, consisting of

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Announcement

Interesting possibilities to publish your papers electronically, without losing your rights to submit these papers to journals:

www.ssrn.com

and

www.finance-research.net

Stockholm (Sweden) 15-17 May 2008

Website meeting:

http://www.fek.su.se/conference/Financial_Modelling/index.htm

Information

This meeting is organized by

Thomas Hartman: hartman@fek.su.se

Next meeting(s)

The 43th meeting will be held in London, UK, from

4-6 September 2008

This meeting will be organized by Gulnur Muradoglu
G.Muradoglu@city.ac.uk

More information can be found on the website:

<http://www.cass.city.ac.uk/ewgfm43/>

2009

The Spring 2009 meeting will be organized from 4-6 May 2009 in *Costa Rica*.

The Autumn 2009 meeting will be organized in *Greece*.

For more information about organizing a meeting, please contact Jaap Spronk (spronk@few.eur.nl) or H el ene Molenaar (molenaar@few.eur.nl)

Working Papers

ERIM

You can find publications of the Erasmus Research Institute of Management (ERIM) on the following website:

<http://www.irim.eur.nl/ERIM>

ECFR

From the *Erasmus Center for Financial Research* (ECFR), Erasmus University Rotterdam, Room H11-01, P.O. Box 1738, 3000 DR Rotterdam, The Netherlands, some papers can be ordered:

For more information:

<http://www.ecfr.nl>

TINBERGEN INSTITUTE

For more information:

<http://www.tinbergen.nl/>

Please add other relevant sites if you want!

New Journal

Prof. Constantin Zopounidis announces the new Journal of Computational Optimization in Economics and Finance:

<https://www.novapublishers.com/catalog/index.php?cPath=125&sort=2a&page=3>

Also, there is a special issue on Banking Management:

<http://www.omegajournal.org/specialissues.html>

EURO Working Group on Financial Modelling

The EURO Working Group on Financial Modelling was founded in September 1986 in Lisbon. The primary field of interest for the Working Group can be described as “financial models that help to solve problems faced by financial decision makers in the firm, intermediaries and the investment community. From this the following objectives of the Working Group are distinguished:

- providing an international forum for exchange of information and experience on financial modelling;
- encouraging research in financial modelling (new techniques, methodologies, empirical studies, software, etc.);
- stimulating and strengthening the interaction between financial economic theory and the practice of financial decision making;
- cooperating and exchanging information with other universities and financial institutions throughout Europe.

It can be stated safely that the Working Group has become an established one. To give an idea: over 400 members, 41 international meetings and an own newsletter (*NEWSFLOW*) are three examples of the success until now.

Meetings

The meetings of the Working Group are organized twice a year, in April/May and in October/November. Earlier meetings were held in Belgium, Curaçao, Cyprus, Finland, France, Hungary, Italy, Lithuania, the Netherlands, United Kingdom, Germany, Greece, Croatia, Poland and Spain. There are now members in 34 countries spread over 4 continents. The meetings are attended by 80-100 members on average, most of them scientists but also representatives from the financial institutions, and are usually organized on Thursday, Friday and Saturday morning. The organizers are expected to schedule three types of sessions: a round table session with invited speaker(s), regular sessions with the presentation of refereed papers and balloon sessions in which unrefereed papers, new topics and ‘loose’ ideas can be discussed.

Newsletter

NEWSFLOW, the newsletter of the Working Group is published twice a year, about one month before each meeting. Newsflow is also published on the Internet site <http://www2.eur.nl/topics/finance/ewgfm/ewgfm.htm>

It contains general information about the Working Group and the next meeting(s), letters from readers, announcements of financial seminars, calls for papers, a list of working papers, etc. For information about *NEWSFLOW* or for publication of your contributions please contact the editor: H  l  ne Molenaar, address below.

Membership

For information about membership of the EURO Working Group on Financial Modelling, you may write to:

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