FIN 760
Seminar in Risk Management and Insurance

Chair of Risk Theory, Portfolio Management
and Insurance

HWS 2020

Contents

Requirements

- Successful participation in FIN 560, FIN 561 or FIN 660

- This has to be proven by a *transcript of records*.

Schedule

- Die Veranstaltungssprache im HWS 2020 ist Deutsch.
- Do, 01.10.2020, 10:15 Uhr: Themenpräsentation im Rahmen einer Einführungsveranstaltung via Zoom
- bis Mo, 05.10.2020, 12 Uhr: Abgabe der Präferenzliste [download] und eines aktuellen Notenauszugs via Email an Jan Bauer
- bis Di, 06.10.2020, 12 Uhr: Bekanntgabe der Themenzuordnung und Beginn der Bearbeitungszeit
- bis Di, 24.11.2020, 12 Uhr: Abgabe der Arbeiten
- Seminarvorträge: tba

Master‘s Thesis

- Standard requirement: Completion of the seminar (FIN 760)
- Assignment of topics and starting dates are flexible

Moreover:

- Joint topics assignment with the other chairs of the Area Finance
- Further details: Chair‘s webpage
  - Teaching -> Master -> Master‘s Thesis (MMM)

Guidelines for Scientific Writing

- Detailed information on writing a scientific paper can be found on the chair website (Information sheet on writing a scientific paper)
- Further helpful information/tips are available, such as
  - *Theisen, Manuel R.*: Wissenschaftliches Arbeiten, Technik – Methodik – Form, 13. Aufl., München: Vahlen, 2006.
  - Websites of the top finance and insurance journals (e.g. *The Journal of Finance, The Review of Financial Studies, The Journal of Financial Economics* and *The Journal of Risk and Insurance*)

Structure of the Seminar Paper

1. Cover Page
2. Table of Contents
3. List of Figures
4. List of Tables
5. List of Abbreviations (optional)
6. Text
7. Appendices (optional)
8. List of References / Sources
9. Affidavit

Formatting

- Page limit: **20** (+/- 10%)
- Font: Times New Roman
- Font size: 12pt, justification and hyphenation
- Line spacing: 1.5

upper margin: 2.5 cm

left margin: 3 cm

right margin: 2.5 cm

lower margin: 2 cm

- Pagination: Text Arabic, pages prior to text Roman
- Submission:
  - one printed version (stapled)
  - CD, DVD or USB stick containing
    - digital version (PDF-file)
    - code, Excel files, data (processed in a way, that we can reproduce your results quickly)

Outline

- The outline should reflect the logical structure of your thesis

  1. (Only) use sections

     1.1. subsections

          1.1.1 and subsubsections

- Sections should be equally long and equally important (approximately!)
- Minimum of two (sub)subsections per (sub)section.
- Titles should match the content
- No text between (sub)sections and (sub)subsections.

Literature and Citation

- Show that you have read and understood the right literature:
  - Relevance: Find all papers with a similar research question as yours. Helpful: cross-citations, specific journals
  - Quality: use primary sources, focus on peer-reviewed journals
  - Up-to-dateness: focus on recent studies, especially when discussing your empirical findings
- Always provide the reference for arguments or facts taken from other papers and mark direct quotations
- Two citations styles are possible (mutually exclusive application in the thesis)
  - In-text citation
    - Integrated: ‚Farny (1987, p. 1005) finds that'
    - End of sentence: ‚[…] (Farny 1987, p. 1005).'
  - Footnotes
    - Start the citation with "Cf." or "See"
- Include page numbers in your citations, where applicable
  - use footnotes, for example: See Acerbi/Tasche 2002, p. 1489.

List of References: Example

Acerbi, Carlo; *Dirk Tasche:* On the coherence of expected shortfall, in: Journal of Banking and Finance, Vol. 26, No. 7, 2002, p. 1487-1503.

Albrecht, Peter; *Edmund Schwake*: Risiko, Versicherungstechnisches, in: *Farny, Dieter* (Hrsg.) u.a.: Handwörterbuch der Versicherung, Karlsruhe: Verlag Versicherungswirtschaft, 1988, p. 651-657.

Gutenberg, Erich: Grundlagen der Betriebswirtschaftslehre, 2. Band: Der Absatz, 13. Aufl., Berlin-Heidelberg-New York: Springer, 1971.

Mathematical Expressions

- Microsoft Word/Power Point: ‚*Insert>Equation*‘
- Longer/more important expressions:
  - Separate line, centered, numbered
- Short expressions and variables: „inline“
- Example:

"If the loss L is normally distributed with mean μ and standard deviation σ, the value-at-risk at the significance level α is given by

$$VaR_{\alpha}[L] = \mu + N_{1-\alpha}\,\sigma, \tag{1}$$

where $N_{1-\alpha}$ is the $(1-\alpha)$-quantile of a standard normally distributed random variable (see, for example, Albrecht/Huggenberger, 2015, p. 42)."

Common Mistakes (I)

- Content-related mistakes
  - Research question is not motivated
  - Research question is not stated concisely
  - Methods are described incorrectly, errors in formulas
  - Theoretical concepts are not defined
  - Empirical study is inappropriate to answer the research question
  - Thesis misses a running thread
- Formal mistakes
  - Page references in the outline are incorrect
  - Formatting requirements are not satisfied
  - Formulas are not numbered
  - Formulas are not punctuated

Common Mistakes (II)

- Literature
  - Nonscientific sources are used
  - Only textbooks are used as sources
  - Reference list contains unused sources
  - Reference list is incomplete
- Figures
  - Figure is inappropriate to display a problem
  - Axes are formatted incorrectly (e.g., date axes)
  - Figures are not described
  - Figures are not numbered
  - Figures are copy-pasted

MATLAB/STATA

- The empirical analysis should be implemented in MATLAB/STATA.
- Free MATLAB licenses are available here.
  - Please also download the toolboxes from the following categories:
    - Math, Statistics, and Optimization
    - Computational Finance

Topics

See PDF-File.