

Professor David Edmund Allen

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ECON Papers <http://econpapers.repec.org/RAS/pal66.htm>

Personal research webpage <http://www.dallenwpty.com>

Education

1966-1970 UNIVERSITY OF ST. ANDREWS, SCOTLAND

MA Hons Economics (2:1), July 1970

1971-1977 UNIVERSITY OF LEICESTER, ENGLAND

M.Phil, Economics (History of Economic Thought) Thesis "The Scottish Historical School, the Stadial Theory and the Development of Economic Liberalism: 1750-1800", July 1977 (enrolled part-time)

1987-1986 UNIVERSITY OF WESTERN AUSTRALIA

Ph.D Finance, by a series of publications, Department of Accounting and Finance, University of Western Australia, (23 April, 1996); "The Determinants of Company Financial Policy Decisions: Some Evidence from Australia, Britain and Japan", (enrolled part-time)

1996 F.Fin Fellow of the Financial Services Association of Australia

Employment

1996-todate Foundation Professor of Finance, School of Accounting, Finance and Economics, Edith Cowan University

1999-2001 Associate Dean, Research and Higher Degree, Faculty of Business and Public Management, Edith Cowan University

1992-1996 Challenge Bank Professor of Finance, School of Economics and Finance, Curtin University of Technology

1987-1992 Senior Lecturer/Lecturer, Department of Accounting and Finance, the University of Western Australia

1979-1987 Lecturer finance, Department of Business Studies, The University of Edinburgh

1984(6-months) Visiting Fellow in Finance, Department of Economics and Finance, Western Australian College of Advanced Education

1977-1979 Lecturer, economics and finance, Department of Economics and Accounting, Leicester Polytechnic, Leicester England (Now De Montfort University).

1973-1974 Research Assistant, National Institute of Economic and Social Research <http://www.niesr.ac.uk/> assisted Professor S.J. Prais on a project investigating long-term trends in the industrial structure of UK Manufacturing Industry

Research Interests

Previous research spans a broad range of interests including work in industrial economics and technical change, stock market rationality and efficiency in Asia-Pacific financial markets, investigations of corporate financial policy and capital structure decisions, managed fund performance, the analysis of the determinants of the cross-section of security returns in Asia-Pacific financial markets, the analysis of hedging strategies and their effectiveness in futures markets, the equity premium, time series analysis of linkages between accounting earnings, dividends and stock prices, purchasing power parity, and modelling financial risk.

Current interests are more focussed on various aspects of risk measurement, modelling and forecasting and market microstructure issues.

Working Papers

Some of my recent working papers are also available on the Social Science Research Network. SSRN (I am currently ranked in the top 1000 by download of papers from a total of over 100,000 plus authors.) See http://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=92569. Many of my papers are also available on Econ papers/Ideas/REPEC and can be viewed at <http://ideas.repec.org/e/pal66.html> (I am ranked 34 in Oceania on downloads of recent papers)

Research Projects: Current and Planned

Arc Discovery Grant (Commencing 2011). Edith Cowan University DP110102884 Prof David E Allen, Prof Lyn C Thomas, Dr Robert J Powell, Prof James W Taylor, Prof Michael McAleer Approved Project Title New methods for modelling and forecasting risk 2011 \$129,377.00 2012 \$123,077.00 2013 \$116,977.00 Primary FoR 1502 BANKING, FINANCE AND INVESTMENT. This project is concerned with the development of new methods for measuring and forecasting financial risk. This is at both the micro and macro level. (Micro: for individual securities and companies, macro: across the market as a whole). It is applying state of the art modelling tools and econometric methods including quantile regression and machine learning techniques. The project involves an appraisal of both the timeliness and efficacy of risk metrics. It also plans to explore portfolio risk aggregation techniques and methods including risk spill-overs and contagion across the financial system. The scale and scope of the project and the methods to be applied are unique and original. The recent Global Financial Crisis (GFC) of 2008-09 has shown the inadequacies of customary risk-metrics, including the Basel Accord recommended Value at Risk (VaR), which failed dismally to foreshadow the global financial crisis. Rating agencies, government agencies, regulators and financial institutions all failed to foresee the global financial crisis. This demands that a comprehensive re-evaluation and re-working of risk measurement and risk forecasting strategies and regulations is required. This research project will accomplish these goals, using state of the art econometric, statistical and mathematical techniques. It will apply these techniques to samples of US, UK and Australian datasets, using both financial statement and securities markets data to explore the efficacy of new risk-metrics, both prior to and during the GFC in the context of these three different markets.

Research Submissions

- 2011 A current 2011 ARC Discovery Grant application: DP120100279 “Modelling financial risk: How risky are riskindexes?” is concerned with the rapid growth by the CBOE and CME of a variety of financial indices and instruments suitable for monitoring, hedging and investing in volatility (risk). As yet there is no research on their collective properties, characteristics and effectiveness. This project will make the first systematic exploration of their statistical properties, their correlations and covariances, the relationship between the underlying instruments and the derivatives written against them. This application is complementary to the existing grant given it is also concerned with the analysis of risk but approaches from a completely different standpoint focussing on a set of traded instruments as opposed to conceptual measures of risk.
- 2011 Associated with a bid by the Australian Centre for Financial Studies in Melbourne to secure Treasury funding for setting up a Research Centre In International Finance and Regulation.

Research Publications since 2005

Scholarly Book Chapters

1. D.E. Allen, L.K. Lim and T. Winduss, (2007) “AUSFTA and its implications for the Stock Markets in the Pacific Basin Countries”, chapter 9 in, *Regionalism, Trade and Economic Development in the Asia-Pacific Region*, Ed. M.A.B. Siddique, Edward Elgar, Cheltenham, UK, ISBN 978184542 503 6, pp.128-139.
2. D.E. Allen, Alexander Shu-Sing Cheng, Carole Comerton-Forde and Joey Wenling Yang, (2008), “Returns, Volatility and liquidity on the ASX: Undisclosed vs. Disclosed Limit Orders” Chapter 12 in; *Market Liquidity*, Ed. G. Gregoriou and F-S. Lhabitant, John Wiley, New York, ISBN, 978-0-470-18169-0 pp. 227-245.
3. D.E. Allen, D. and Soongswang, A. (2008). “Takeovers and Shareholder Value Creation on the Stock Exchange of Thailand”, chapter in; *Asia-Pacific Financial Markets: Integration, Innovation and Challenges*, Ed. S-J. Kim and M.D. Mckenzie, Elsevier, Amsterdam, ISBN: 978-0-7623 -1471-3, pp.347-370.
4. D.E. Allen and R. Powell, “Structural Credit Modelling and its relationship to market Value at Risk: an Australian sectoral Perspective”, Chapter 19 in; *The VaR Implementation Handbook*, Edited G. Gregoriou, McGraw-Hill (2009), ISBN: 978-0-07-161513-6, pp. 403-414.
5. D.E. Allen and M. Scarth, "Modelling the Volatility of the FTSE100 index using High Frequency Data Sets," Chapter 22, *Stock Market Volatility*, Edited G. Gregoriou, Chapman-Hall, CRC Finance Series, London, (2009) ISBN: 13-978-1-4200-9954-6, pp: 419-437.
6. D.E. Allen and J. Chimhini, “The World Price of Covariance Risk with Respect to Emerging Markets”, Chapter in; *Emerging Markets: Performance, Analysis and Innovation*, G.N. Gregoriou (ed.) Chapman-Hall/Taylor and Francis London, CRC Finance Series, London, (2009) ISBN: 978-1-0448-3, pp:117-146
7. D.E. Allen and R. Powell, “Bank Default Risk in the US and the UK”, Chapter in; *Banking Crises*, G.N. Gregoriou (ed.) Chapman-Hall/Taylor and Francis London, UK (2009)

8. D.E. Allen and L. Demello, "The Consumption-Based Capital Asset Pricing Model (CCAPM), Habit-Based Consumption and the Equity Premium in an Australian Context", Chapter 5 in: G.N. Gregoriou and R. Pascalau (Editors) *Financial Econometrics Modelling: Market Microstructure, Factor Models and Financial Risk Measures*, Part II Factor Models and Financial Risk Premiums Palgrave Macmillan, Houndmills, Basingstoke, UK. ISBN 978-0-230-28362-6, (2011). p. 135-153.
9. D.E. Allen, A. Kumar Singh and R. Powell, (2011), "Asset Pricing, the Fama-French Factor Model and the implications of Quantile Regression Analysis", Chapter 7 in Gregoriou, G.N. and R. Pascalau (eds.) *Financial Econometrics Modelling: Market Microstructure Dynamics, Single and Multifactor Pricing Models and Financial Risk Measures*, Palgrave-MacMillan, Basingstoke, UK ISBN 978-0-230-28362-6. pp. 176-193. .
10. D.E. Allen and A. Kumar Singh, (2011), "A Risk and Forecasting Analysis of West Texas Intermediate Prices", Chapter 10 in Gregoriou, G.N. and R. Pascalau (eds.) *Financial Econometrics Modelling: Market Microstructure Dynamics, Single and Multifactor Pricing Models and Financial Risk Measures*, Palgrave-MacMillan, Basingstoke, UK, ISBN 978-0-230-28362-6, pp.235-254

In-Press

11. D. E. Allen and L. DeMello, "Forecasting the Equity Premium in the Australian Market", Forthcoming; *Advances in Financial Planning and Forecasting* (AIAPF) Elsevier (2011)
12. D.E. Allen, A.K. Singh and R. Powell, (2011) "Machine learning and short positions in stock trading strategies", *HandBook of Short Selling*, Ed G. Gregoriou, Elsevier.
13. D. E Allen, A. .K Singh, R. J Powell, A. Kramadibrata, (2011) "Short Selling Stock Indices On Signals From Implied Volatility Index Changes: Evidence From Quantile Regression Based Techniques", *HandBook of Short Selling*, Ed G. Gregoriou, Elsevier.
14. D.E. Allen, Powell, R. J., & Singh, A. K. (2011). Short Selling Consistency in South Africa. In G. N. Gregoriou (Ed.), *HandBook of Short Selling*: Elsevier.

Refereed-Journal-publications

15. W. Yang and D.E.Allen, "Multivariate GARCH hedge ratios and hedging effectiveness in Australian futures markets", *Accounting and Finance*, Blackwell Publishing, 45 (2005) pp.301-321. (Ranked B, http://www.arc.gov.au/era/era_journal_list.htmJournal Ratings List).
16. S. Peiris, D.E. Allen and W. Yang, "Some Statistical Models for durations and an application to News Corporation Prices", *Mathematics and Computers in Simulation*, (2005) 68, pp.549-556. (Associated with Linkage Grant LP0455281) (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
17. D.E.Allen and H. Salim, "Forecasting Profitability and Earnings: A study of the UK Stock Market (1982-2000)", *Applied Economics*, Routledge, (2005) Vol 37, No 17, pp.2009-2018. (Ranked A, http://www.arc.gov.au/era/era_journal_list.htm).
18. D.E.Allen, S. Peiris and W. Yang, "An Examination of the Role of Time and its Impact on Price Revision", *Australian Journal of Management*, (2005), Vol 30, N0 2, pp.283-302. (Associated with Linkage Grant LP0455281) (Ranked A, http://www.arc.gov.au/era/era_journal_list.htm).
19. D.E.Allen and V. Soucik, "Benchmarking Australian Fixed Interest Fund Performance: Finding the Optimal Factors", *Accounting and Finance*, (2006), Vol 46, 5, pp. 865-898. (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
20. D.E.Allen, B. Veiga and M.McAleer, "Modelling and forecasting dynamic VaR thresholds for risk management and regulation", *Risk Letters*, 1(3), 2006 (with D.E. Allen and B. Veiga).* (Associated with Linkage Grant LP0562305).

21. D.E. Allen and J. Parwada, "Investors Response to Mutual Fund Mergers", *International Journal of Managerial Finance*, (2006) Vol 2, No 2, pp.121-135. (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
22. D.E.Allen and A. Soongswang, "Post-Takeover Effects on Thai Bidding Firms: are Takeovers in the Bidder's Interests?" *Review of Pacific Basin Financial Markets and Policies*, Vol 9, No 4, (2006), pp.509-531. (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
23. D.E.Allen, Z. Lazarov and M. McAleer, "Modelling Intra-day Seasonality and Forecasting Densities in Financial Duration Data", *Journal of Financial Forecasting*, (2007), Vol 1, No 1, 45-69 (Associated with Linkage Grant LP0455281)
24. D.E.Allen, F. Chan, M. McAleer, and S. Peiris, (2008) "Finite Sample Properties of the QMLE for the Log-ACD model: Applications to Australian Stocks", *Journal of Econometrics*, 147, pp.163-185. (Associated with Linkage Grant LP0455281) (Ranked A*, http://www.arc.gov.au/era/era_journal_list.htm).
25. J. Gao, M. McAleer and D.E. Allen, (2008) "Econometric Modelling in Finance and Risk Modelling: an Overview", *Journal of Econometrics*, 147, pp.1-4.* (Associated with Linkage Grant LP0562305). (Ranked A*, http://www.arc.gov.au/era/era_journal_list.htm).
26. D.E. Allen and V. Soucik, (2008) "Long-run underperformance of seasoned equity offerings: Fact or an illusion?" *Mathematics and Computers in Simulation*, Vol 78, 2-3, pp. 146-154. (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
27. D.E.Allen, J. Gao and M.McAleer, (2009) "Modelling and Managing Financial Risk: An Overview", *Mathematics and Computers in Simulation*, Vol 79, 8. pp.2521-2524* (Associated with Linkage Grant LP0562305). (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
28. David Allen, Zdravetz Lazarov, Michael McAleer, Shelton Peiris, (2009) "Comparison of Alternative ACD Models via Density and Interval Forecasts: Evidence from the Australian Stock Market", *Mathematics and Computers in Simulation*, Vol 79, pp.2535-2555. (Associated with Linkage Grant LP0455281). (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
29. D.E.Allen, G.C. Yap and R. Shareef, (2009) "Modelling interstate tourism demand in Australia: A cointegration approach", *Mathematics and Computers in Simulation*. Vol 79, pp.2733-2744. (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
30. David E. Allen, and R Powell, (2009), "Transitional credit modelling and its relationship to market value at risk: an Australian sectoral perspective" *Accounting and Finance*, Wiley Interscience, Vol 49, 3, pp.425-444.* (Associated with Linkage Grant LP0562305). (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
31. D.E.Allen, P. Gerrans, R. Powell, and A. Kumar Singh, (2009)"Quantile regression: its application in investment analysis", *The FINSIA Journal of Applied Finance*, Jassa, Issue 4, pp. pp. 7-12.* (Associated with Linkage Grant LP0562305). (Ranked C, Australian Business Deans Council - Journal Ratings List).
32. D.E. Allen, (2009) "Measuring and Modelling Risk", *Global Business and Economics Review*, Vol X, Vol. 11, Nos. 3/4, pp.199-224.* (Associated with Linkage Grant LP0562305). (Ranked C, http://www.arc.gov.au/era/era_journal_list.htm).
33. D. E. Allen with K Sato, and Z.Y. Zhang, "A Monetary Union in East Asia: What does the Common Cycles Approach Tell", *Mathematics and Computers in Simulation* (Elsevier, North-Holland). Vol. 79, 2009, 2927–2937. (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
34. T. Sharp; S. Li; D.E Allen, (2010) "Empirical performance of affine option pricing models: evidence from the Australian index options market", *Applied Financial Economics*, Volume 20, Issue 6, Pages 501 – 514, (ERA C ranked Journal http://www.arc.gov.au/era/era_journal_list.htm).* (Associated with Linkage Grant LP0562305).

35. D.E. Allen, M. McAleer and M. Scharth, (2011) "Monte Carlo option pricing with asymmetric realized volatility dynamics", Special Issue: Selected Papers of the Combined IMACS World Congress and MSSANZ 18th Biennial Conference on Modelling and Simulation, Cairns, Australia, 13–17 July, 2009 *Mathematics and Computers in Simulation*, 81, 7, pp:1247-1256 (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm). (Associated with Linkage Grant LP0562305).
36. G. Yap and D.E.Allen and G. Yap, (2011) "An Investigation of other leading indicators influencing Australian domestic tourism demand", Special Issue: Selected Papers of the Combined IMACS World Congress and MSSANZ 18th Biennial Conference on Modelling and Simulation, Cairns, Australia, 13–17 July, 2009 *Mathematics and Computers in Simulation*, 81,7 pp. 1365-1374 (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm).
38. D.E. Allen, & Powell, R. (2011). "Customers and Markets: Both are Essential to Credit Risk Measurement". *Australasian Accounting, Finance and Business Journal*. Vol 5, 1, pp:57-75, (Ranked B, http://www.arc.gov.au/era/era_journal_list.htm)* (Associated with Linkage Grant LP0562305).
39. D.E. Allen and R. Powell, (2011) "Measuring Measuring Real Capital Adequacy in Extreme Economic Conditions: An Examination of the Swiss Banking Sector", *Journal of Modern Accounting and Auditing*, Vol 7, 6, pp:541-554. (Ranked C, http://www.arc.gov.au/era/era_journal_list.htm).

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37. D. E. Allen, Singh, A. K., & Powell, R. J. (2011). "Minimising Loss at Times of Financial Crisis. Quantile Regression as a Tool for Portfolio Investment Decisions". *Annals in Financial Economics*. (Associated with Linkage Grant LP0562305).
38. D.E. Allen, A.K. Singh, A. Kramadibrata, R. Powell, (2011) "Beyond reasonable doubt: multiple tail risk measures applied to European industries", *Applied Economic Letters*, Routledge.

Conference proceedings

1. D.E.Allen, Siamese International Conference on Modelling and Simulation, SIMMOD, The Rose Garden, Bangkok, Thailand "The World Price of Covariance Risk with respect to Emerging Markets", January 18th 2005.
2. D.E.Allen, Siamese International Conference on Modelling and Simulation, SIMMOD, The Rose Garden, Bangkok, Thailand "Modelling and Forecasting Dynamic VaR Thresholds for Risk Management and Regulation", January 18th 2005.
3. Peiris, S., Allen, D. and Peiris, U. (2005), Generalised Autoregressive Models with Conditional Heteroscedasticity: An Application to Financial Time Series, (Proceedings of the University of Wollongong Workshop on Research Methods: Statistics and Finance), 66-74. Eric J Beh, Robert G Clark, J C W Rayner (eds.) University of Wollongong, Wollongong, ISBN 1 74128 107 5
4. D.E. Allen and V. Boobal Batchelor, "The Role Of Post-Crisis Bank Mergers In Enhancing Efficiency Gains and Benefits to The Public In The Context of a Developing Economy: Evidence From Malaysia", University of Melbourne, In Zerger, A. and Argent, R.M. (eds) MODSIM 2005 International Congress on Modelling and Simulation. Modelling and Simulation Society of Australia and New Zealand, December 2005, pp. 2275-2283. ISBN: 0-9758400-2-9 \ 122.
rLong Run Underperformance of Seasoned Equity Offerings: Fact or an Illusion? Allen, D.E. & V. Soucik, University of Melbourne, In Zerger, A. and Argent, R.M. (eds) MODSIM 2005 International Congress on Modelling and Simulation. Modelling and Simulation Society of Australia and New Zealand, December 2005, pp. 559-565. ISBN: 0-9758400-2-9.

5. D.E. Allen, A.S.S. Cheng and J.W. Yang, "The Impact of Undisclosed Vs Disclosed Limit Orders: Evidence from Inter-Day returns, Signalling and information effects on the ASX," Business and Economics Society International International Conference, Antibes France, (July 2007), Global Business Economics Anthology, ISSN 1553-1392, pp.392-403
6. Sato, K., Allen, D. & Zhang, Z.Y , "A Monetary Union in East Asia: What does the Common Cycles Approach Tell?". In Oxley, L. and Kulasiri, D. (eds) MODSIM 2007 International Congress on Modelling and Simulation. Modelling and Simulation Society of Australia and New Zealand, December 2007, pp.1007-1012.
7. D.E. Allen, R. Shareef, and G. Yap, "In Modelling Interstate Tourism Demand in Australia: A Cointegration Approach". In Oxley, L. and Kulasiri, D. (eds) MODSIM 2007 International Congress on Modelling and Simulation. Modelling and Simulation Society of Australia and New Zealand, December 2007, pp.1920-1926.
8. D.E.Allen, and V. Soucik, "The Performance of Seasoned Equity Issues in a Risk-Adjusted Environment?" In Oxley, L. and Kulasiri, D. (eds) MODSIM 2007 International Congress on Modelling and Simulation. Modelling and Simulation Society of Australia and New Zealand, December 2007, pp. 1835-1842. ISBN : 978-0-9758400-4-7.
9. D.E. Allen and R.J. Powell, "Thoughts on VaR and CVaR, In Oxley, L. and Kulasiri, D. (eds) MODSIM 2007 International Congress on Modelling and Simulation. Modelling and Simulation Society of Australia and New Zealand, December 2007, pp.1843-1850.
10. D.E. Allen and G. Yap, "Investigating other leading indicators influencing Australian domestic tourism demand", 18th World IMACS / MODSIM Congress, Cairns, Australia 13-17 July 2009 <http://mssanz.org.au/modsim09>
11. D.E. Allen and G. Yap, "Modelling Australian domestic tourism demand: A panel data approach", 18th World IMACS / MODSIM Congress, Cairns, Australia 13-17 July 2009
12. D.E. Allen, M. McAleer and M. Scarth, "PRICING OPTIONS BY SIMULATION USING REALIZED VOLATILITY", 18th World IMACS / MODSIM Congress, Cairns, Australia 13-17 July 2009 <http://mssanz.org.au/modsim09>
13. R. Powell and D.E. Allen, "CVaR and Credit Risk Measurement", 18th World IMACS / MODSIM Congress, Cairns, Australia 13-17 July 2009 <http://mssanz.org.au/modsim09>
14. J. Yong, D.E. Allen, and L.k. Lim, "AREIT returns from 1990 – 2008: A multi-factor approach" 18th World IMACS / MODSIM Congress, Cairns, Australia 13-17 July 2009
15. D.E. Allen and J. Sudiman, "Does tick size change improve liquidity provision? Evidence from the Indonesia Stock Exchange", 18th World IMACS / MODSIM Congress, Cairns, Australia 13-17 July 2009 <http://mssanz.org.au/modsim09>
16. D.E. Allen and I. Bujang, "Stock Returns and Equity Premium Evidence Using Dividend Price Ratios and Dividend Yields in Malaysia" 18th World IMACS / MODSIM Congress, Cairns, Australia 13-17 July 2009 <http://mssanz.org.au/modsim09>
17. D.E. Allen and I. Bujang, "Conditional Beta Capital Asset Pricing Model (CAPM) and Duration Dependence Tests", 18th World IMACS / MODSIM Congress, Cairns, Australia 13-17 July 2009 <http://mssanz.org.au/modsim09>

Major Invited Talks

1. D.E.Allen, International Conference on Simulation and Modelling 2005, Bangkok, the Rose Garden Resort, " The World price of covariance Risk with respect to Emerging Markets "(17th January 2005).
2. D.E.Allen, International Conference on Simulation and Modelling 2005, Bangkok, the Rose Garden Resort, "Modelling and Forecasting Dynamic VaR thresholds for Risk Management and Regulation", (18th January 2005).
3. D.E.Allen, "The Consumption-Based Capital Asset Pricing Model (CCAPM), habit-based consumption, and the Equity Premium in an Australian Context", Global Finance Conference, 27th June 2005, Trinity College Dublin, Ireland. (Paper co-authored with L. Demello)
4. D.E.Allen, "The Technological Progress of Malaysian Banks: An Empirical Investigation" Global Finance Conference, 27th June 2005, Trinity College Dublin, Ireland. (Paper co-authored with V. Batchelor and K. Kupussamy).
5. D.E.Allen, "Modeling and Forecasting Dynamic VaR Thresholds for Risk Management and Regulation" European Financial Management Association Conference, Bocconi University, Milan, June 30th 2005. (Paper co-authored with M. McAleer and B. Veiga).
6. D.E. Allen, "Modeling and Forecasting Dynamic VaR Thresholds for Risk Management and Regulation" Australian Institute of Banking and Finance, 10th Banking and Finance Conference, RMIT, (29th September 2006). (Paper co-authored with M. McAleer and B. Veiga).
7. D.E.Allen, "Real Interest Rates and Inflation in Norway", Business Economics Society International Conference, Croce di-Malta Hotel, Florence, (16th July, 2006).
8. D.E. Allen, "The Consumption Based Capital Asset Pricing Model (CCAPM), habit-based consumption and the equity premium in an Australian context", Australasian Banking and Finance Conference, Shangri-la hotel, Sydney, (14th December 2006).
9. D.E.Allen, "Evidence from Inter-Day Returns, on Volatility and liquidity on the ASX: the impact of Undisclosed vs. Disclosed Limit Orders", Business Economics Society International Conference, Ambassadeur Hotel, Antibes France, (17th July, 2007).
10. D.E. Allen, "Long Run Underperformance of Seasoned Equity Offerings: Fact or an Illusion?", MODSIM 2007, International Congress on Modelling and Simulation. Modelling and Simulation Society of Australia and New Zealand, University of Canterbury, Christchurch, (12th December 2007) .
11. D. E. Allen, M. McAleer and M. Scharth, "Modelling Realized Volatility Shocks to Forecast Returns Densities", Modelling and Managing Ultra High Frequency Data, the Joondalup Resort, Joondalup, WA 13th February 2008.
12. D.E. Allen, N. Jeyasreedharan and S. Peiris, "Yet Another Autoregressive Conditional Duration Model: The ACDD Model", Modelling and Managing Ultra High Frequency Data, the Joondalup Resort, Joondalup, WA 14th February 2008.
13. D.E. Allen and S. Hosseini, "Portfolio investment modelling using high frequency data", Modelling and Managing Ultra High Frequency Data, the Joondalup Resort, Joondalup, WA 14th February 2008.
14. D.E. Allen and W. Yang, "Limit Order Trading and Information Asymmetry: empirical evidence of the Evolution of Liquidity on an Order-Driven Market", Modelling and Managing Ultra High Frequency Data, the Joondalup Resort, Joondalup, WA 14th February 2008.

15. D.E. Allen, "A time series analysis of interdependence between World Stock Markets; with particular reference to the Asia Pacific region", Business and Economics Society International Conference, Hotel De La Paix, Lugano, Switzerland, July 16th 2008.
16. D.E. Allen, "Realised Volatility Uncertainty", Financial Integrity Research Network (FIRN) Research Day, Queensland University of Technology, Brisbane, 3rd October 2008.
17. D.E. Allen, "Realised Volatility Uncertainty", Symposium on Time-Varying Volatility and Correlation, 28th November 2008, UNSW, Sydney.
18. D.E. Allen, "A Comparison of the Parametric and Sampling Approaches to Portfolio Investment Modelling", Quantitative Methods in Finance Conference, 17th December 2008, Amora Hotel, Sydney, NSW.
19. D.E. Allen, Keynote Speech, "Measuring and Modelling Risk", Sheraton Keahou Bay, Kona Hawaii, July 18th 2009, published in Global Business and Economics Review, Vol. 11, Nos. 3/4, 2009, pp. 119-223
20. D.E. Allen, "Asset Pricing, the Fama-French Factor model and the implications of Quantile Regression Analysis", 22nd Australasian Banking and Finance Conference, 18th December 2009, the Shangri-La Hotel, Sydney, NSW.
21. D.E. Allen and Singh, A. (September 29th 2010) "CAViaR and the Australian Markets: an appetiser", FIRN Research Day, Stamford Hotel, Melbourne.
22. Allen, D.E. and Singh A. "Asset Selection using a Factor Model and Data Envelope Analysis: A Quantile Regression Approach, 15th December 2010, 23rd Australasian Banking and Finance Conference, Shangri-la Hotel, Sydney.
23. Allen, D. E., Singh, A. K., & Powell, R. J., "Extreme Market Risk-An Extreme Value Theory Approach", Madrid International Conference on Risk Modelling and Management (co-organised by Dave Allen of ECU), June 24th 2011, Real Centro Universitario (RCU) Escorial - María Cristina, San Lorenzo de El Escorial, Madrid, Spain D. E. Allen, R. Amram and M. McAleer, "Volatility Spillovers from the Chinese Stock Market to Economic Neighbours". Madrid International Conference on Risk Modelling and Management, Madrid, June 24th 2011, Real Centro Universitario (RCU) Escorial - María Cristina, San Lorenzo de El Escorial, Madrid, Spain
24. Allen, D. E., Kramadibrata, A. R., Powell, R. J., & Singh, A. K. (2011), "Xtreme Credit Risk Models: Implications for Bank Capital Buffers", 8th Applied Financial Economics (AFE), Conference, 2nd July 2011, East Aegean Technical Institute, Samos Island, Greece.
25. Allen, D. E., Singh, A. K., & Powell, R. J., "Analysing the Return Distributions of Australian Stocks: A two factor model and a Quantile Regression Approach", Business and Economics Society International Conference, July 8th 2011, Split, Croatia.

Recent Research Funding

- 2004 SR0354895 Professor Dave Allen (ECU) and FIMARC (Financial Markets and Accounting Research Centre) participated in a Financial Integrity Research Network (FIRN) which received \$40k of seed funding from the ARC at the end of 2003, and then in 2004 was awarded ARC approved funding of \$350,000 pa over the next 5 years. FIRN involves a multidisciplinary research network of 12 Australian Universities.

- 2004 **ARC Grant LP0455281 Modelling stock market liquidity in Australia and the Asia Pacific Region.** Linkage Grant with SIRCA Other developments include securing an ARC Linkage Grant to study market impact (the impact of securities trading on price movements) with SIRCA as the industry partner and a research team whose chief investigators are Professor Allen, Professor M. McAleer of UWA and Dr Shelton Peiris of the University of Sydney. This team comprises a fine balance of skills in that in addition to Professor Allen's research focus on applied finance, Professor McAleer is one of the foremost econometricians in Australia whilst Dr Peiris is an accomplished statistician. The project, which will be based at Edith Cowan University is titled: "Modelling stock market liquidity in Australia and the Asia Pacific Region" and it received funding for 2004 of \$52,500, 2005 -\$100,000, 2006 - \$95,000, and 2007 - \$47,500. This project will develop new methods of assessing stock market liquidity in Australia and the Asia-Pacific region. These methods will use high frequency transactions-based data provided by the industry partner, SIRCA. The data will be the basis of smart information real time algorithms for measuring market liquidity. They will incorporate generalizations and extensions of recent developments in time series econometrics, and will be calibrated and evaluated statistically. The novel methods will be crucial to market participants and to regulators, who will be able to apply them to assess market depth and liquidity, and reduce trading costs substantially.
- 2005 **RN0460246 Financial Integrity Research Network received ARC funding of \$1.75m for 2005-2010.** FIRN is directed towards innovation in the integrity and efficiency of Australia's financial system. It addresses pressing problems and threats associated with this key component of Australia's infrastructure. FIRN brings together a multi-disciplinary network involving 14 Australian universities, featuring internationally renowned academics in a unique collaborative research effort which spans the conventional disciplinary boundaries of: Financial economics, Applied statistics, Financial econometrics, Actuarial science, Financial mathematics, Market micro-structure, Accounting and information systems, Corporate finance, Corporate governance, Funds management. FIRN is supported by SIRCA's (the Securities Industry Research Centre of the Asia Pacific) world-class financial research infrastructure and industry network. It will deliver a range of innovative research and applied outcomes. FIRN will achieve its larger aims by pursuing the following research and industry/end user initiatives: A collaborative research program into theoretical and applied issues related to financial markets, instruments and applications to relevant end users. A national and international distinguished visitor program. A regional seminar and conference program with a multi-disciplinary focus. A web based national research paper series along the lines of the NBER in the US and CEPR in the UK. Securing industry support to fund scholarships, industry/academic exchanges and postdoctoral appointments. A young researcher development program. Creating a distinguished lecture program with regular public forums hosted by network participants as well as invited international speakers. Development of a range of online resources for academic and practitioner end-users. Cultivate industry sponsors for application oriented aspects of the Network's research. Industry government and regulatory bodies associated with FIRN Securities Industry Research Centre of Asia-Pacific (SIRCA) Capital Markets Co-operative Research Centre (CMCRC) Axiss Australia Australian Stock Exchange (ASX) Sydney Futures Exchange (SFE) Australian Financial Markets Association (AFMA) Investment & Financial Services Association Limited (IFSA) National Electricity Market Management Company (NEMMCO) Australian Bankers Association (ABA) Australian Securities & Investment Commission (ASIC) Australian Prudential Regulation Authority (APRA) Reserve Bank of Australia (RBA) Australian Transaction Reports and Analysis Centre (AUSTRAC) Queensland Investment Corporation (QIC) Queensland Treasury Corporation.
- 2005 **ARC Linkage Grant LP0562305 Prof M McAleer; Prof DE Allen; Dr S Hoti Title: Forecasting Risk Thresholds for Portfolio Management and Regulation.** Funding 2005 : \$54,000 2006 : \$104,500, 2007 : \$101,000 2008 : \$50,500. The industry partner is SIRCA. The project will de-

velop new models and methods for dynamic risk modelling, assessment of portfolio risk, and forecasting of portfolio risk thresholds. These novel methods will have extensive applications across investment portfolios for banks and financial institutions globally. The techniques will feature a dynamic updating of risk estimates, and more accurate forecasting of portfolio risk, the correlations of portfolio asset classes, and Value at Risk (VaR) thresholds. The innovative methods and models will permit both financial institutions and regulatory authorities to model VaR thresholds more accurately, and enable investment managers to regulate and benchmark their portfolios more effectively against international best practice.

2011 **DP110102884 ARC Discovery Grant, Prof David E Allen, Prof Lyn C Thomas, Dr Robert J Powell, Prof James W Taylor, Prof Michael McAleer. Project Title "New methods for modelling and forecasting risk".** 2011 - \$129,377.00 2012 - \$123,077.00 2013 - \$116,977.00 Primary FoR 1502, BANKING, FINANCE AND INVESTMENT

Honors and Awards

- 1999 November 1999, received Edith Cowan Postgraduate Students' Association Award for the "Best Supervisor" in the Faculty of Business and a second award from the same body for "Excellence in Research Leadership".
- 2000 November 2000, received Edith Cowan Postgraduate Students' Association Award for the "Excellence in Supervision" in the Faculty of Business and a second award from the same body for "Excellence in Research Leadership".
- 2002 November 2002, received Edith Cowan Postgraduate Students' Association Award for the "Excellence in Supervision" in the Faculty of Business and a second award from the same body for "Excellence in Research Leadership".
- 2005 December 2005, received the Dean's Award for Research Excellence for 2005, Faculty of Business and Law, Edith Cowan University.
- 2010 Faculty of Business and Law, Edith Cowan University, Dean's award Excellence in Research December 2010.

Service

I have acted as an reviewer for *Accounting And Finance*, *Accounting Forum*, and *Applied Economics*, *Applied Financial Economics*, *Financial Management*, *Accounting Research Journal*, *the Journal of Futures*, *The Journal of Futures Markets*, *Studies in Economics and Finance*, *International Journal of Business Studies*, *the Australian Economic Review*, *the Australian Journal of Management*, *the Bulletin of Economic Research*, *Economica*, *Quantitative Finance*, and *the Pacific Basin Finance Journal*.

For over a decade I have acted as an Australian Reader for the Australian Research Council reviewing grant applications.

Member of the Editorial Board, *Studies in Economics and Finance*. (Ranked B, ERA Journal List 2010). http://info.emeraldinsight.com/products/journals/editorial_team.htm?id=sef

Member of the Editorial Board, the *Journal of International Business Studies*.

Member of the Editorial Board, *International Journal of Economics and Business Research* (IJEBr) Inderscience, <http://www.inderscience.com/browse/index.php?journalCODE=ijebr>

Member of the Editorial Board, *Research in Financial Economics*. See <http://www.annalsfinancialeconomics.com>

Member of the Editorial Board, *Annals in Financial Economics*,

Affiliations

The Accounting and Finance Association of Australia and New Zealand - 1986 to date.

IMACS : International Association for Mathematics and Computers in Simulation

The Econometrics Society, Australasian Branch, 1996 to date.

Financial Services Institute of Australia