

“Stress Testing and Financial Stability: A Framework for Assessing  
the Systemic Risk of Major Financial Institutions.”

***TCFA CA Advanced Financial Study Seminar***

by Dr. Hao Zhou, Senior Economist, Federal Reserve Board

Dear TCFA members and friends,

The Chinese Finance Association CA Chapter cordially invites you to attend a seminar event featured with a presentation by Dr. Hao Zhou, Senior Economist of Federal Reserve Board on Tuesday, June 23rd, 2009 at Hilton San Francisco. The Panel discussion would be led by Dr. Jun Chen from Moody’s Analytics (known as Moody’s KMV before) and Dr. Andrei Morozov from MSCI Barra.

One focal issue to both market practitioners and policy makers throughout world financial crisis in 2008 is: what is the potential total loss to major financial institutions in this unprecedented global economic meltdown? At what cost those institutions can be protected from failure?

In his presentation, Dr. Hao Zhou proposes an innovative market-based approach that utilizes insight from the credit default swap and equity market to explicitly address that concern. His interesting finding has significant implications to both policy making and investment practice. One critical question his research may help answer is whether the marketplace still functions well in face of a once-in-century crisis. This research has been presented at BIS, IMF, IFC, Federal Reserve System Committee Meeting on Financial Structure and Regulation, Federal Reserve Board Finance Forum, the Hong Kong Institute for Monetary Research and Stress Testing Workshop sponsored by China’s Banking Regulatory Commission.

Our panelists, Dr. Chen and Dr. Morozov will provide opinion and perspective on this critical study through their own research experience.

This event belongs to TCFA CA Advanced Financial Study/Practice Seminar Program.

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Time:	6:00 PM – 8:00 PM, Tuesday, June 23 <sup>rd</sup> , 2009 (arriving 15 minutes before the starting time is recommended)	
Venue:	Hilton San Francisco, 333 O'Farrell St., San Francisco, 94102, (Room is Union Square 17-18 located at Tower Three on the 4 <sup>th</sup> floor)	
Attire:	Casual	
Agenda:	6:00 PM – 6:15 PM,	Welcome Remark by Dr. Zili Zhang (TCFA CA)
	6:15 PM – 7:00 PM,	Presentation by Dr. Hao Zhou
	7:00 PM – 7:30 PM,	Panel Discussion
	7:30 PM – 8:00 PM,	Q&A Session
Cost:	Early Bird \$10	(Register by 6/18/2009 (including 6/18/2009))
	Regular \$15	(Register after 6/18/2009)
	Student \$5	With Valid Student ID
Registration	Write email to <a href="mailto:tcfa.ca.1994@gmail.com">tcfa.ca.1994@gmail.com</a> with attendee name, firm/school affiliation, contact email (please indicate whether paid via paypal or need e-invoice)	
Payment	Person with Paypal:	Send fund to <a href="mailto:tcfa.global@gmail.com">tcfa.global@gmail.com</a> directly (indicate payee name in registration if different from attendee's)
	Person without Paypal:	We will bill via e-invoice using contact email
Contact:	Rongke(Kevin) Lin (email : <a href="mailto:kevinlin.tcfa@yahoo.com">kevinlin.tcfa@yahoo.com</a> )	

Special note:

1. Registration is considered valid only after payment is received, therefore paypal payment is encouraged.
2. Only bottle water would be provided on-site.

## **About Speakers and Panelists**

**Hao Zhou**, PhD, *Senior Economist*, Federal Reserve Board, Washington DC

Hao Zhou is currently a senior economist in Risk Analysis Section at the Board of Governors of the Federal Reserve System. His official duty involves supervising and regulating the large bank holding companies' risk management models and advising the Board of Governors on market and credit risk issues. His research and policy work cover the areas of asset volatility and predictability, term structure of interest rates, structural model of credit derivatives, systemic risk and financial stability. His research has appeared in leading academic journals, including *Journal of Finance*, *Review of Financial Studies*, *Journal of Econometrics*, *Journal of Business and Economic Statistics*, *Journal of Banking and Finance*, and *Journal of Financial Econometrics*, among others. He was a visiting professor of finance at Sloan School of Management MIT during the fall of 2007. Hao Zhou joined the Federal Reserve in 2000 to work in the Trading Risk Analysis Section, after receiving his PhD degree in economics from Duke University. He

also holds a BA degree in economics and MA degree in management from Peking University.

**Jun Chen**, PhD, *Senior Director*, Moody's Analytics, San Francisco

Jun Chen joined Moody's KMV in 2008 as a Senior Director and is currently leading the research efforts in expanding credit risk analytics on commercial real estate. Dr. Chen has many years of experience in the real estate finance industry. Previously, he was a Co-Director of Debt Research at CBRE Torto Wheaton Research, and before that, Director of Research and Analytics at Property & Portfolio Research. Dr. Chen was instrumental at these places in delivering cutting-edge market research and risk analytics consulting to a variety of prominent commercial real estate market participants. His other professional experience includes working as a Senior Analyst at IndyMac Bank and Cornerstone Research. Dr. Chen also taught at Shanghai Jiaotong University before coming to the U.S.. Dr. Chen obtained his Ph.D. with specialty in real estate finance and urban economics from the University of Southern California. His Master's and Bachelor's degrees are both from Tongji University.

**Andrei Morozov**, PhD, Vice President, MSCI Barra, Berkeley

Andrei Morozov is a Vice President at MSCI Barra, where he focuses on global equity risk modeling. Mr Morozov joined the firm in October 2005 and has worked on the new generation of Global Equity Model since then. Prior to joining MSCI Barra, Mr Morozov pursued diverse research interests ranging from experiments in electron coincidence spectroscopy at the Max Plank Institute of Microstructure Physics in Germany to leading research and development of proprietary video compression algorithms at XVD Corp, a technology startup in Silicon Valley. Mr Morozov earned a PhD degree in Physics from Saint Petersburg State University in Russia.

## **About TCFA**

The Chinese Finance Association (TCFA) is a non-profit organization aimed at facilitating the exchange of ideas, knowledge and information on education, and research and practice in finance and related areas between the US and China. TCFA was founded in California, U.S. in 1994 and currently has over 1,500 members in U.S., Hong Kong and China Mainland. The TCFA members cover professors and students in academic institutions and professionals in major global financial institutions.

TCFA is based in New York City, with local chapters in Beijing, Boston, California, Chicago, Hong Kong, Washington D.C. and Shanghai. TCFA organizes and sponsors a broad range of activities. Regular member activities include annual meeting, regular seminar, etc. For more information, please visit [www.tcfaglobal.org](http://www.tcfaglobal.org).

## **About TCFA California Chapter**

Founded in 1994, California Chapter is the first local chapter of TCFA. Currently, it has over 200 local members. Dr. Zili Zhang (American Century Investment) and Dr. Guang Guo (Barclays Global Investors) serve as co-chairs. The executive team includes 3 executive directors, 5 associate executive directors and a program plan committee. Local chapter programs include career development workshop, advanced financial study/practice seminar, social network event and China-US financial market bridging program.