Volatility proxies and GARCH models

Visser, M.P.

Citation for published version (APA):

General rights
It is not permitted to download or to forward/distribute the text or part of it without the consent of the author(s) and/or copyright holder(s), other than for strictly personal, individual use, unless the work is under an open content license (like Creative Commons).

Disclaimer/Complaints regulations
If you believe that digital publication of certain material infringes any of your rights or (privacy) interests, please let the Library know, stating your reasons. In case of a legitimate complaint, the Library will make the material inaccessible and/or remove it from the website. Please Ask the Library: http://uba.uva.nl/en/contact, or a letter to: Library of the University of Amsterdam, Secretariat, Singel 425, 1012 WP Amsterdam, The Netherlands. You will be contacted as soon as possible.
Acknowledgments

I am greatly indebted to my three advisors, without whom this thesis would not exist. They provided me with enthusiastic and stimulating support. Robin de Vilder initiated this project back in 2003, and provided the opportunity to gain invaluable financial market experience with practical statistical arbitrage trading. I am privileged to have learned a great deal about mathematics, financial markets, and human behaviour from him. Having collaborated with Robin as a co-author helped develop my academic skills. I admire Robin’s touch for presenting non-trivial material in an easy-to-grasp way, and his intuition for problem solving. I am grateful for the freedom that he gave me in doing research, while monitoring and directing progress closely. His advice in 2006 to give primary attention to academic research was an important step in arriving at this thesis. I am also grateful to Guus Balkema. Guus has been extraordinary. He had just retired when this research project was initiated. In fact, this has not been the first time that Guus offered me much of his “spare time.” As a student econometrician I intended to take a course introducing mathematical fundamentals underlying probability theory. This course, “Voorbereiding Kansrekening” lectured by Guus, would only take place if a sufficient number of students would attend. I gathered two more econometricians; the group finally consisted of only four students. Guus decided to lecture. Without his generosity, and the inspiring course, I might not have been in the position to engage in this research project. Guus’ generosity continued during the years of research. He could sit for hours discussing early drafts of papers, and again the week thereafter. Guus has been invaluable in scrutinizing the mathematics, enhancing rigour, and giving food for thought on the problems under study. He also inexhaustibly pointed out linguistic and pedagogical misdirections in expositions. I have learned enormously from, and enjoyed, the hard times that he gave me. Also many thanks to Chris Klaassen for careful readings of early versions of this work, and for providing help with its statistical aspects. I have benefitted from our many discussions, for instance on the question “Should we name a proxy a proxy, or an estimator?”

The process of writing turned out to be a challenging and enjoyable task. Thanks are due to Peter Boswijk (my former econometrics master thesis supervisor) for constructive input on working paper versions of the thesis chapters. Our discussions have been very helpful, both on the level of detail and from a more global viewpoint. I owe the term “scaling model,” the name given to the basic model underlying the thesis, to Peter. I also thank Remco Peters for many helpful discussions and for critical proof reading of various parts of the manuscript. I thank David, Jiefan, and Peter for allowing me to test my writing and for helpful discussions. Their critical outside perspective has helped me to improve the exposition. Also thanks to Duncan, and Sophie (due to Arne), for checking English language usage.

This research was conducted in combination with a position at Newtrade Research,
today Deep Blue Capital. Thanks to Ronald van der Geest, Roger Hodenius, Jan van Kuijk, and Robin de Vilder for offering this opportunity. Deep Blue Capital has proven a challenging and rewarding working environment, thanks to Oleg Kozlovski, Jeroen Mayers, Remco Peters, Duncan Sands, and Robert Vlaar.

Many thanks to the KdV-institute for providing the necessary academic facilities these years and for their financial support during the two years following 2006. I thank the Eidgenössische Technische Hochschule (ETH Zürich) for their hospitality during my stay in summer 2005.

Many thanks to David and Peter for acting as “paranimfen,” and foremost for having me enjoy our friendship, and for providing a continuous source of discussions on econometrics, football, and life. I am grateful for the warm friendship of Arne, Jiefan, Laurens, Michel, Paul, and Ties. I want to express my gratitude to Hans and Margriet for their parent-son support, to Mariëlle’s sister act (not to mention funny Sinterklaas verses), and to Jan for support. I thank Claartje, my love, for enduring the moods that come with doing research, for her love and her support.