



The University of Chicago  
Department of Statistics

Mini-seminars for First Year Ph.D. Students

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**“Estimating Semiparametric ARCH( $\infty$ ) Models  
by Kernel Smoothing Methods”**

Authors: O. Linton and E. Mammen

Source: *Econometrica*, Vol. 73, No. 3 (May, 2005), 771-836

**THURSDAY, May 25, 2006 at 12:45 PM**  
**110 Eckhart Hall, 5734 S. University Avenue**

### **ABSTRACT**

Stochastic volatility models are of considerable current interest in empirical finance following the seminal work of Engle (1982). In this talk I will discuss a class of semiparametric ARCH( $\infty$ ) models, with particular attention to the “news impact function”. We’ll see how this can be estimated, and assess how the model performs by applying the method to S&P500 index return data.