

THE UNIVERSITY



OF HONG KONG

Department of Mathematics

COLLOQUIUM

Derivatives valuation under collateralization: its origin, history, mathematics and what banks are doing with it

Professor Tat Sang Fung & Professor Ka Yi Ng

September 26, 2013 (Thursday)

4:00 – 5:00pm

Room 210, Run Run Shaw Bldg., HKU

Abstract

Two mathematics department alumni would like to share with students of science and numerical discipline the latest concern in the mathematical finance world: the raise of collateralization and its effect on pricing and risk management:

- How it is a “game changer” in the world of traders, risk managers and support staffs from front to back offices?
- Why it is more a mathematical concern than regulatory?
- How a bank allegedly made USD 1 billion out of the mathematical change before most others were aware of?
- Why knowledge in this area may give you an advantage in getting the next job in finance, and how should one prepare for it?
- ...and more

This talk is prepared for a general audience, especially those who are majoring in mathematics, physics, business, or an engineering discipline, have a passion in mathematics or simply curious about what mathematics people are doing in finance.

All are welcome

Biography of the speakers:



Tat Sang Fung graduated from the Mathematics Department of Hong Kong University in 1990. He is now a senior manager at Misy: Head of Financial Engineering (Misy Summit) and Head of Quant and Structuring (Misy Capital Markets Fusion). He coauthored the article "BGM numeraire alignment at will" published in Risk International, 2004. Tat Sang Fung holds a Ph.D. in mathematics from Columbia University in the City of New York. He is also an adjunct professor of Columbia University since 2006. He can be reached at fts@math.columbia.edu



Ka Yi Ng is the development manager of the Structured Products Group, a senior quantitative analyst at Wall Street Systems. She graduated from the Mathematics Department of Hong Kong University in 1990 and received her Ph.D. in mathematics from Columbia University in 1996. She was an assistant professor at New York City Technical College before she joined the financial industry. She can be reached at kyn@math.columbia.edu