Session: Insuring Extreme Risks

Nicolas Baradel

CREST-ENSAE and Université Paris-Dauphine

Discussant

Session : Insuring Extreme Risks

- *Does Frugality Influence Firm Behavior ? Evidence from Natural Disasters*, **Matthew WYNTER**, University of Chicago.
- *The Influence of Sponsor Characteristics and (non-)Events on the Risk Premia of CAT Bonds*, **Tobias GÖTZE, and Marc GÜRTLER**, Braunschweig Institute of Technology.

- Using an Econometric based approach, the author show that firms in more frugal countries issue more new-debt and tend to have a shorter corporate maturity, in case of a disaster.
- An interesting result showing that, this inner characteristic of the country influence the firm behavior in the case of a disaster.

- Using an Econometric based approach, the authors show that the sponsor characteristic as well as catastrophic and economic events influence the CAT bond premia.

- An interesting result showing that, characteristics that should be independent of the *payoff* of the contract, has an impact which may come from the imperfect information.

- What can be the explanation behind this result ?

- Removing 20% of the data with missing or incoherent values could have an effect (bias point of view) on the results ?

- Is there a particular reason to not introduce a parameter b_t in the regression which could handle a global time change appetite of consideration of the market (indepently of the others) ?