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University of Luxembourg  
Joint Inaugural Lecture  
(with Professor Lehnert)  
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**Monday, 6 December 2010**

**18h00**

Campus Limpertsberg

Amphithéâtre Tavenas

102a, avenue Pasteur

L-2311 Luxembourg



UNIVERSITÉ DU  
LUXEMBOURG

Faculté de Droit,  
d'Économie  
et de Finance



# Prof. Theoharry Grammatikos

## Finance in the exciting age of the web



The quantum leaps of the web in the last few years has made the accessing of existing data and other publicly available information extremely easy, while at the same time it has created an enormous platform for generating new data/information at an unprecedented volume and pace. These changes, in turn, have inspired the development of various new data mining methods that facilitate the extraction of valuable quantitative information from the mass of data stored in web search engines (e.g., Google, Yahoo), in discussion boards, in social networks (e.g., Facebook, Tweeter etc), and various e-businesses (e.g., e-Bay, Amazon etc). What do these disruptive technologies mean for finance, in general, and academic research in finance more specifically?

The purpose of this lecture is to trace how these new possibilities can be harnessed to answer important old and new research questions in finance and economics. For example, the new web based data and methods can be used to examine the assessment of individuals' risk attitudes before and after the financial crisis, the forecasting of financial crises, the forecasting of various economic/financial indicators (inflation, recession, unemployment etc), the measurement of "business

sentiment" or "consumer confidence", the measurement of (web) society's attitudes towards economic growth and non-economic social goals (sustainability, climate change etc), the dissemination of economic information from "opinion" leaders, the extraction of new economic information from influential web networks in advance of public announcements, etc

**Professor Grammatikos** (1954) is now pursuing his third important career path. After receiving his Masters and PhD from New York University (NYU) he engaged in the "publish or perish" effort at the University of Wisconsin-Madison, after short assignments at NYU, Hofstra University and the University of Piraeus, Greece. He did not "perish" because he managed to "publish" his work at the Journal of Finance, Journal of Business, Journal of Monetary Economics and Journal of Banking and Finance among others. He then took a short break from academia to join the European Investment Bank to apply in the "real world" some of the theories he was teaching. This "short" assignment lasted for 20 years (...) during which he developed and was responsible for the bank's Management Information System, Cost Accounting, Budgeting and Strategic Planning among others. Having completed this journey to the "real world" he then responded to his Finance calling and joined the LSF in September 2009 where he enjoys teaching and doing research in traditional finance subjects and, increasingly, in areas that exploit the new possibilities created by the age of the web.

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*Introduction by André Prüm, Dean of the Faculty of Law, Economics and Finance. A reception will be held after the conference.*