

The Hong Kong Polytechnic University
Department of Logistics and Maritime Studies
Research Seminar

Heterogeneous Agent Model in Shipping Discipline

by

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Date: 16 May 2016 (Monday)
Time: 10:30am - 11:30am
Venue: M104, Li Ka Shing Tower
The Hong Kong Polytechnic University

(Conducted in English)

Abstract:

This presentation will discuss the Heterogeneous Agent Model (HAM) and how it explains the phenomena in shipping markets. HAM has been successfully applied to major financial markets, for examples S&P 500, foreign exchange market, and commodity market, in the past 20 years. Different from the Efficient Market Hypothesis (EMH), HAM assumes a market with two types of boundedly rational participants, namely the fundamentalist and the chartist. The fundamentalist applies mean reversion principle to form expectations while the chartist uses trend following strategy to make predictions. Since there are many similarities between financial markets and shipping markets, we attempt to adapt HAM in three shipping markets, which are newbuilding market, secondhand market, and freight market. Initial analysis on the data from 1978 to 2015 show that HAM can explain the freight market with accurate forecasting but HAM is not readily applied to the newbuilding and secondhand markets. Research agenda will be discussed in this presentation.

Bio:

PENG Wen Hao is a PhD student in the Department of Logistics and Maritime Studies, Faculty of Business, The Hong Kong Polytechnic University. He got his Bachelor degree (2014) in International Shipping and Transportation from the Shanghai Jiao Tong University.

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All are welcome!