



PRESS RELEASE – 24 OCTOBER 2016

Friends of Ecole Polytechnique, with the support of David Faucon, launches a new Academic and Research Chair on Financial Regulation

On Monday, October 24, Philippe Khuong-Huu, Friends of Ecole Polytechnique President, Jean-Bernard Lartigue, École Polytechnique Foundation Executive Director, and Jacques Biot, École Polytechnique President, inaugurated the Academic and Research Chair « Analytics and models for regulation » in New-York City.

The 2008 financial crisis and the fast development of high-frequency trading placed the issue of financial regulation at the core of financial markets concerns.

This new Chair, focusing on statistics and models for financial regulation, aims at **bringing quantitative answers to help regulating the current financial system.**

The objective of the Chair is to better understand the **process of price-setting** and the **impact of market participants' behavior** in the fundamental features of prices. It also aims to **give the regulator some relevant analysis tools in the context of high-frequency trading.**

One of the purposes of the Chair is to **demonstrate the tick relevance**, i.e. the smallest allowed price gap between two transactions, as a **high-frequency trading regulation tool.** This should eventually shape a notion of optimal tick-size.

Researchers will work with so far never seen data from the French *Autorité des Marchés Financiers* (Financial Markets Authority.)

David Faucon, CEO at Latour Trading LLC, has made this Chair possible through a **1 million Euro pledge** to Friends of Ecole Polytechnique. **Mathieu Rosenbaum** is the Chair Holder.



Graduated from ENSAE (École Nationale des Statistiques et de l'Administration Économique), from the Masters' program "Random Modelling" of University Paris VII and Sciences Po Paris, Mathieu Rosenbaum obtained his Ph.D from University Paris-Est in 2007. After being Assistant Professor at École Polytechnique, he became Professor at University Pierre et Marie Curie (UPMC) in 2011. He is now full-time professor at l'X and is especially in charge, with Nicole El Karoui, Gilles Pagès and Emmanuel Gobet, of the Masters' program "Probability and finance", jointly run by École Polytechnique and UPMC.

His research mainly focuses on statistical finance problems, such as market microstructure modeling or statistical procedures for high frequency data and on regulatory issues, especially in the context of high frequency trading.

He received the **Europlace Award for Best Young Researcher in finance in 2014** and a **European Research Council Starting Grant in 2015**.



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ABOUT THE FRIENDS OF ÉCOLE POLYTECHNIQUE / Friends of Ecole Polytechnique (USA) is a sister organization of the Ecole Polytechnique (Paris) Foundation. Its aim is to accompany the Foundation in its fundraising efforts in the USA. It is managed by a Board of Directors, chaired by Philippe Khuong-Huu (X 1983). Friends of Ecole Polytechnique is accredited by the IRS as a 501(c)3. As such, the gifts it receives are tax-deductible.

ABOUT THE ÉCOLE POLYTECHNIQUE FOUNDATION / Created in 1987 by twenty leading French companies at the request of Bernard Esambert (Class of 1954), the Chairman of École Polytechnique Board of Directors at the time, and with the support of the Alumni Association, the École Polytechnique Foundation builds bridges between the business world and École Polytechnique, including its students and research professors. The Foundation is a recognized public-benefit organization that works to promote École Polytechnique. This status entitles it to receive gifts and bequests from both individuals and companies. The funds raised are directed to École Polytechnique programs, facilities, students, and research professors.

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