

PRMIA CHICAGO CHAPTER

Chicago has a rich history of “firsts” that go back to the 19th century: the world’s first skyscraper, the Home Insurance Company (1885); the first mail-order business, Montgomery Ward & Co. (1872); and the world’s oldest futures and options exchange, the Chicago Board of Trade, which was established in 1848. That was the “Year of the Revolutions” in Europe. The revolutions collapsed a year later, but CBOT still exists as part of the CME Group.

Today, the derivatives exchanges are at the core of the city’s financial services industry, which includes large hedge funds and asset managers, a sizable insurance industry, major accounting firms, and regulators such as the Federal Reserve Bank of Chicago and a major office of the Commodities and Futures Trading Commission (CFTC).

In recent years, the chapter has served the risk management community in Chicago by building close working relationships with financial institutions, professional organizations and universities in the area. The CME Group has provided the use of their auditorium for meetings and conferences for several years. Accounting firms have sponsored meetings and representatives from the asset management and insurance industries, as well as regulatory institutions, have presented at chapter events. Several universities — DePaul, the Illinois Institute of Technology, and Loyola University Chicago — support the chapter’s activities and co-sponsor meetings, as do professional organizations that include the Chartered Alternative Investment Analyst Association (CAIA), the CFA Society of Chicago, the Chicago Actuarial Association (CAA), and the Midwest Actuarial Forum (MAF). The annual ERM Symposium organized jointly with the CAA and MAF is in its fifth year.

Chapter events focus on timely topics and innovative ideas. Over the past few years these have included the following:

Credit Risk: Analysis, Mitigation & Transference – This two-day conference was one of the first, if not the first, conference on the financial crisis. The conference brought together practitioners and academic scholars. (2008)

Feel Sick? Follow the Money! New Perspectives on Global Human Mobility and Disease Dynamics – Dirk Brockmann, Professor of Physics, Northwestern University, reported on the recent discovery of scaling laws in global human traffic based on the analysis of

the geographic circulation of over 10 million individual dollar bills in the United States (www.wheresgeorge.com). He also discussed the application of multi-scale mobility networks to predicting the emergent H1N1 (swine flu) pandemic in the U.S. (2009)

Thoughts from the Examiner: What the Lehman Brothers Bankruptcy Means for Risk Managers – Anton R. (Tony) Valukas, Chairman of Jenner & Block LLP and the court-appointed Examiner (who submitted a 2,200 page report on the bankruptcy of Lehman Brothers) shared some of the lessons from the largest bankruptcy in U.S. history. (2010)

Commodities/Energy Risk Management – A panel of experts, including Chicago Steering Committee member Hilary Till, shared their insights on some of the most volatile markets. (2011)

The members of the chapter’s steering committee are:

- Timur Gök, Regional Director, DePaul University
- Melanie Angers, Deputy Regional Director
- Jim Clarke, Tahoe Capital Management
- John Dodson, The Options Clearing Corporation
- Allyson Heuman, Allyson Heumann & Associates and Fellow, Arditti Center for Risk Management, DePaul University
- Tom Jacobs, Ph.D., FRM, PRM, DePaul University
- Ikhtiar Kazi, SunGuard (Capital Markets)
- Saurabh Narain, PRM, National Community Investment Fund
- Hilary Till, Principal, Premia Capital, Research Associate, EDHEC-Risk Institute, and Fellow, Arditti Center for Risk Management, DePaul University

The chapter currently has 6,080 members.

To learn more about the Chicago chapter, visit www.prmia.org/Chapter_Pages/Chicago. For questions, or sponsorship opportunities, contact chicago@prmia.org.