EURO AREA BUSINESS CYCLE NETWORK (EABCN)

Judgement and Combination in Forecasting and Policy Models

London, 20-21 March 2014

A Euro Area Business Cycle Network (EABCN) Conference
www.eabcn.org

Organisers:
Raffaella Giacomini (UCL and CEPR)
George Kapetanios (QMUL)
Massimiliano Marcellino (Bocconi University, IGIER, EABCN and CEPR)
Simon Price (Bank of England, City University London, CAMA and CFM)

The event is hosted by the Bank of England and sponsored by EABCN, cemmap and CAMA

Venue: Moorgate Auditorium, PRA Building, 20 Moorgate, London, EC2R 6DA

Programme

Thursday 20 March

10.00-10.30   *Registration*

              Chair: Massimiliano Marcellino (Bocconi University, IGIER, EABCN and CEPR)

10.30-11.30   **Robust Bayes Inference for Non-Identified SVARs**
              Raffaella Giacomini (University College London and CEPR) and *Toru Kitagawa
              (University College London)

              Discussant: Sophocles Mavroeidis (University of Oxford)

11.30-12.00   *Coffee break*

12.00-13.00   **Poster session 1**

13.00-14.30   *Lunch*

14.30-15.30   **Evaluating Conditional Forecasts from Vector Autoregressions**
              *Todd Clark (Federal Reserve Bank of Cleveland) and Michael McCracken (Federal
              Reserve Bank of St Louis)
              Discussant: Ana Galvão (Warwick Business School)

              Chair: Raffaella Giacomini (University College London and CEPR)

15.30-16.30   **Scenario generation framework based on Bayesian Factor-Augmented Vector
              Autoregressions**
              Andrei Sarychev (Bank of England)

              Discussant: Discussant: Irma Hindrayanto (De Nederlandsche Bank)

16.30-17.00   *Coffee Break*

17.00-18.00 **Dynamic Prediction Pools: An Investigation of Financial Frictions and Forecasting Performance**
Marco Del Negro (Federal Reserve Bank of New York), Raiden Hasegawa (Federal Reserve Bank of New York) and *Frank Schorfheide (University of Pennsylvania and CEPR)

Discussant: Giovanni Amisano (European Central Bank)

Friday 21 March

Chair: Simon Price (Bank of England, City University London, CAMA and CFM)

09.00-10.00 **A semi-structural investigation of the UK productivity puzzle**
Dario Caldara (Federal Reserve System), Richard Harrison (Bank of England), Anna Lipinska (Federal Reserve System) and *Matt Waldron (Bank of England)

Discussant: Kevin Lee (University of Nottingham)

10.00-11.00 **Density Characteristics and Density Forecast Performance: A Panel Analysis**
*Geoff Kenny (European Central Bank), Thomas Kostka (European Central Bank) and Federico Masera (Universidad Carlos III de Madrid)

Discussant: Shaun Vahey (Warwick Business School)

11.00-11.30 *Coffee Break*

11.30-12.30 **Forecast Optimality Tests in the Presence of Instabilities**
*Barbara Rossi (ICREA-Universitat Pomeu Fabra and CEPR) and Tatevik Sekhposyan (Bank of Canada)

Discussant: Anindya Banerjee (University of Birmingham)

12.30-13.30 *Lunch*

13.30-14.30 **Poster Session 2**

Chair: George Kapetanios (QMUL)

14.30-15.30 **Understanding Uncertainty Shocks and the Role of the Black Swan**
Anna Orlik (Federal Reserve Board) and *Laura Veldkamp (Stern School of Business, New York University and CEPR)

Discussant: Michele Lenza (European Central Bank)

15.30-16.30 **Exploiting the monthly data-flow in structural forecasting**
Domenico Giannone (ECARES, Université Libre de Bruxelles and CEPR), Francesa Monti (Bank of England) and *Lucrezia Reichlin (London Business School and CEPR)

Discussant: Nicholas Fawcett (Bank of England)

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* Indicates the presenter.
Sessions are divided into 35 minutes for the presenter, 15 minutes for discussant and 10 minutes for general discussion.

Conditional forecasts and scenario analysis with vector autoregressive models for large cross-sections
Marta Banbura (European Central Bank), Domenico Giannone (Universite Libre de Bruxelles, ECARES and CEPR) and *Michele Lenza (European Central Bank)

Monetary Policy Modelling in Times of Financial Turmoil: The Case of Sveriges Riksbank
Jens Iversen (Sveriges Riksbank), *Stefan Laséen (Sveriges Riksbank), Henrik Lundvall (Sveriges Riksbank) and Ulf Söderström (Sveriges Riksbank and CEPR)

Measuring Uncertainty of a Combined Forecast and a New Test for Forecaster Homogeneity
*Kajal Lahiri (SUNY at Albany), Huaming Peng (SUNY at Albany) and Xuguang Sheng (American University)

Evaluating Forecasts of a Vector of Variables: A German Forecasting Competition
*Tara M Sinclair (George Washington University) and Herman O. Stekler (George Washington University)

Business Tendency Surveys and Macroeconomic Fluctuations
Daniel Kaufmann (Swiss National Bank) and *Rolf Scheufele (Swiss National Bank)

Forecasting with DSGE models in the Presence of Data Revisions
Ana Galvão (Warwick Business School)

Real-Time Forecasting with a Large, Mixed Frequency, Bayesian VAR
Michael W. McCracken (Federal Reserve Bank of St. Louis), Michael Owyang (Federal Reserve Bank of St. Louis) and *Tatevik Sekhposyan (Bank of Canada)

Do central banks' forecasts take into account public opinion and views?
Ricardo Nunes (Board of Governors of the Federal Reserve System)

Forecasting during the Financial Crisis: Evaluating Point and Density Forecasts of an Estimated DSGE Model for the UK
Nicholas Fawcett (Bank of England), *Lena Körber (London School of Economics), Riccardo M. Masolo (Bank of England) and Matt Waldron (Bank of England)

Local Bayesian Likelihood Methods for Estimating Time –Varying Parameter DSGE Models
Ana Beatriz Galvão (Warwick Business School), Liudas Giraitis (Queen Mary University of London), George Kapetanios (Queen Mary University of London) and *Katerina Petrova (Queen Mary University of London)

Nowcasting and Forecasting Economic Growth in Europe using Principal Components
*Irma Hindrayanto (De Nederlandsche Bank), Siem Jan Koopman (Vrije Universiteit Amsterdam) and Jasper de Winter (De Nederlandsche Bank)