

# **14th OxMetrics User Conference**

## **[Preliminary Program, as of February 12, 2014]**

Thursday March 20–Friday March 21, 2014

Department of Economics, George Washington University  
Washington, D.C. 20052 U.S.A.

Co-chairs: Neil R. Ericsson and Frederick L. Joutz

### **Locations**

(Thursday March 20)

Rooms 405 and 407, Marvin Center, George Washington University  
800 21st Street NW, Washington, DC 20052 U.S.A.

(Friday March 21)

Jack Morton Auditorium, MPA Building, George Washington University  
805 21st Street NW, Washington, DC 20052 U.S.A.

## Acknowledgements

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[Department of Economics](#), The George Washington University

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[Elliott School of International Affairs](#), The George Washington University

[Institute for International Economic Policy](#), The George Washington University

[Timberlake Consultants UK](#)

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David Corbett

Noelia Germino

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Teresa Timberlake

Ashley Williams

## Program Committee

Neil R. Ericsson (co-chair)

Frederick L. Joutz (co-chair)

Jennifer L. Castle

Jurgen A. Doornik

Niels Haldrup

David F. Hendry

Siem Jan Koopman

Sébastien Laurent

Tara M. Sinclair

Giovanni Urga

## Local Organizing Committee

Neil R. Ericsson

Frederick L. Joutz

Kyle Renner

# Conference Program

## [Preliminary, as of February 12, 2014]

**Thursday, March 20, 2014 [Rooms 405 and 407, Marvin Center]**

8:30-9:00am           **Registration, and coffee/tea/pastries**

9:00-10:00am       **Session 1: Empirical Economic Modeling**

Chairperson: Neil R. Ericsson

Announcements: Neil R. Ericsson and Frederick L. Joutz (co-chairs)

David F. Hendry\* (INET Oxford and University of Oxford)

“Empirical Economic Model Discovery and Theory Evaluation”

10:00-10:30am      **Coffee/Tea Break**

10:30am-12noon    **Session 2: General-to-specific Modeling**

Chairperson: Andrew Powell

Hildegart Ahumada\* (Di Tella University) and Magdalena Cornejo

“Joint Modeling of the Effect of Commodity Prices on Exports and the Real Exchange Rate: The Case of Argentina”

Simon J. Hviid\* (Aarhus University), Tom Engsted, and Thomas Q. Pedersen

“Housing Bubbles in the OECD Area: An Econometric Analysis”

Rodrigo Mariscal and Andrew Powell\* (IADB)

“Commodity Price Booms and Breaks: Detection, Magnitude and Implications for Developing Countries”

12noon-12:10pm    **Welcoming Remarks:** Barry R. Chiswick (Chair, Dept. of Economics, GWU)

12:10-1:30pm       **Lunch and Poster Session** (posters listed below)

Antonio Alleyne, Derek Gibbs, Fred Joutz\* (GWU and KAPSARC), and Kimberly Waithe

“Empirical Modeling in Barbados”

G. Nathan Dong\* (Columbia University)

“Mortgage Securitization, Housing Market and Real Output: A Time-series Causality Test using Structural VAR”

Amy Y. Guisinger\* (GWU) and Tara M. Sinclair

“Trends and Cycles in the U.S. Labor Market”

Janet A. Levy\* (Duke University), Diane Holditch-Davis, and Robin B. Knobel

“Can State Space Models Capture Trends Where Slope Parameters Are Logistic Functions of Time?”

Emerson Fernandes Marçal\* (Sao Paulo School of Economics and CSSA-Mackenzie),

Beatrice Zimmermann, Diogo de Prince, and Giovanni Merlin

“Assessing Interdependence Among Countries’ Fundamentals and Its Implications for Exchange Rate Misalignment Estimates: An Empirical Exercise Based on GVAR”

Samuel Urkato\* (Wolaita Sodo University)

“Microfinance Impact on Poor Rural Women Empowerment: A Household-level Bargaining Analysis”

Nikolaos Zirogiannis\* (Indiana University) and Yorghos Tripodis\* (Boston University)

“Dynamic Factor Analysis for Panel Data: A Generalized Model”

- 1:30-2:30pm           **Session 3: Ana Timberlake Memorial Lecture**  
 Chairperson: Giovanni Urga  
 Introduction: David Corbett, Giovanni Urga, Frederick L. Joutz, Neil R. Ericsson  
 Katarina Juselius\* (University of Copenhagen and INET Centre for IKE)  
 “Haavelmo’s Probability Approach and the Cointegrated VAR”
- 2:30-3:00pm           **Coffee/Tea Break**
- 3:00-4:30pm           **Session 4: Federal Funds and Treasury Markets**  
 Chairperson: Daniel Beltran  
 Jaime Marquez\* (SAIS) and Conor Foley  
 “Measuring Flight-to-Safety in Foreign Private Net Purchases of U.S. Treasury Securities”  
 Dick van Dijk, Robin L. Lumsdaine\* (American University, NBER), and Michel van der Wel  
 “Clarity or Confusion? Market Set-up in the Run-up to Federal Reserve Policy Rate Decisions”  
 Daniel Beltran\* (Federal Reserve Board), Elizabeth Klee, and Valentin Bolotnyy  
 “‘Un’ Networking: The Evolution of Networks in the Federal Funds Market”
- 4:30-4:50pm           **Coffee/Tea Break**
- 4:50-6:00pm           **Session 4: Round Table with OxMetrics Developers**  
 Chairperson: Frederick L. Joutz  
 Jurgen A. Doornik (INET Oxford and University of Oxford)  
 David F. Hendry (INET Oxford and University of Oxford)  
 Siem Jan Koopman (VU University Amsterdam)  
 Sébastien Laurent (Aix-Marseille Université)
- 6:30pm for 7:00pm   **Reception and Conference Dinner at Aroma Restaurant**  
 1919 “I” Street, NW (pink awning), 2nd floor, (202) 833-4700

## **Friday, March 21, 2014 [Jack Morton Auditorium, MPA Building]**

- 8:30-9:00am           **Coffee/tea/pastries**
- 9:00-10:00am       **Session 5: Algorithmic Model Search**  
 Chairperson: Jurgen A. Doornik  
 Søren Johansen\* (University of Copenhagen and Aarhus University) and Bent Nielsen  
 “Asymptotic Analysis of the Forward Search”  
 Jurgen A. Doornik\* (INET Oxford and University of Oxford)  
 “Some Observations on Automatic Model Selection”
- 10:00-10:30am       **Coffee/Tea Break**
- 10:30am-12noon      **Session 6: Extensions and Applications of Impulse Indicator Saturation**  
 Chairperson: Felix Pretis  
 Neil R. Ericsson\* (Federal Reserve Board and GWU), Stedman B. Hood\* (PlateJoy), Fred Joutz\* (GWU and KAPSARC), Tara M. Sinclair, and Herman O. Stekler  
 “Greenbook Forecasts and the Business Cycle”

Oleg I. Kitov\* (INET Oxford and University of Oxford) and Morten Nyboe Tabor  
“Detecting Structural Changes in Linear Models: A Variable Selection Approach  
using Multiplicative Indicator Saturation”

Felix Pretis\* (University of Oxford) and Lea Schneider  
“Detecting Volcanic Eruptions and Breaks of Any Other Shape using Indicator  
Saturation”

12noon-1:30pm      **Lunch and Poster Session** (posters listed below)

Klaus Abberger, Michael Graff, Boriss Siliverstovs\* (KOF Swiss Economic Institute), and  
Jan-Egbert Sturm

“The KOF Barometer, version 2014: A Composite Leading Indicator for the Swiss  
Business Cycle”

Saheed Layiwola Bello\* (University of Surrey)

“Impact of US Crude Oil Inventory on West Texas Intermediate (WTI) Crude Oil  
Prices using the Structural Dynamic Model”

Daliah M. Bendary\* (University of Lancaster)

“A Comparative Analysis of Parametric and Discrete Time Mixture Models in  
Forecasting Portfolio Credit Risk: An Application to UK Private Firms”

Ingo Bordon\* (German Development Institute), J. James Reade, and Ulrich Volz

“A New Measure of Business Cycle Concordance”

Johannes Tang Kristensen\* (Aarhus University)

“Diffusion Indexes with Sparse Loadings”

Motasam Tatahi\* (Regent's University London), Emre Ipekci Cetin, and M. Koray Cetin

“The Cause of Higher Economic Growth: Assessing the Long-term and Short-term  
Relationship Between Economic Growth and Government Expenditure”

1:30-3:00pm      **Session 3: Models in Finance**

Chairperson: Giovanni Urga

Siem Jan Koopman\* (VU University Amsterdam), Rutger Lit, and André Lucas

“The Dynamic Skellam Model with Applications”

Kris Boudt, Sébastien Laurent\* (Aix-Marseille Université), Asger Lunde, and Rogier  
Quaedvlieg

“Positive Semidefinite Integrated Covariance Estimation, Factorizations and  
Asynchronicity”

Martin Belvisi, Riccardo Pianeti, and Giovanni Urga\* (Cass Business School)

“Modelling Financial Markets Comovements: A Dynamic Multi-factor Approach”

3:00-3:30pm      **Coffee/Tea Break**

3:00-5:00pm      **Session 8: Robust Forecasting**

Chairperson: Jennifer L. Castle

Dobrislav Dobrev\* (Federal Reserve Board) and Ernst Schaumburg

“Robust Forecasting by Regularization”

Haichun Ye, Richard Ashley, and John Guerard\* (McKinley Capital Management)

“Post-sample Granger Causality Analysis: A New (Relatively) Large-scale Exemplar”

Jennifer L. Castle\* (Magdalen College and INET Oxford), Michael P. Clements, and David F.  
Hendry

“Robust Approaches to Forecasting”

5:00-5:10pm      **Closing Remarks** (Conference organizers)

6:30pm              **Conference Farewell Dinner** (light buffet)