

Conference on Advances in Applied Macro-Finance and Forecasting

01.09.2014 MONDAY

Venue: CSM Building 201

Session 1: NOWCAST, chair: Domenico Giannone - 09:00 - 10:30

Nowcasting Economic Activity in Emerging Markets

Cem Cakmakli (Koc University) and Sumru Altug (Koc University)

Nowcasting Euro-Area GDP growth using multivariate models

Gian Luigi Mazzi (European Commission), Silvia Lui NIESR and James Mitchell (University of Warwick)

Nowcasting and Forecasting with a Mixed Frequency Bayesian FAVAR

Alejandro Justiniano (Chicago Fed), Scott Brave (Chicago Fed) and Andre Butters (Kellogg Northwestern)

COFFEE BREAK

Session 3: FORECAST 1, chair: Todd Clark - 11:00 - 12:30

Conditional forecasts and scenario analysis with vector autoregressive models for large cross-sections

Domenico Giannone (Université Libre de Bruxelles), Marta Banbura (European Central Bank) and Michele Lenza (Central Bank)

When wavelets are useful forecasters ?

Ege Yazgan (Istanbul Bilgi University) and Ramo Gencay (Simon Fraser University)

The Conditional Predictive Ability of Economic Variables

Eleonora Granziera (Bank of Canada) and Tatevik Sekhposyan (Bank of Canada)

LUNCH: Papaz Restaurant (Bilgi University Santral Campus)

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Session2: ASSET PRICES, chair: Refet Gurkaynak - 09:00 - 10:30

The importance of the cross-section(s) for estimation of dynamic linear asset pricing models

Rodrigo Guimaraes (Bank of England)

No arbitrage priors, drifting volatilities, and the term structure

Andrea Carriero (Queen Mary University of London)

Bond Portfolio Optimization Using the Dynamic Nelson-Siegel Model

Andre Santos (Universidade Federal de Santa Catarina), João Caldeira (UFRGS) and Guilherme Moura (Universidade Federal de Santa Catarina)

COFFEE BREAK

Session 4: DSGE, chair: Alejandro Justiniano - 11:00 - 12:30

Output Gap, Monetary Policy Trade-Offs and Financial Frictions

Paolo Gelain (Norges Bank), Francesco Furlanetto (Norges Bank) and Marzie Sanjani (International Monetary Fund)

Endogenous credit cycles and macro-financial feedback loops: a DSGE model for Ireland

Rossana Merola (ESRI and Trinity College Dublin) and Daragh Clancy (Central Bank of Ireland)

Endogenous Life-Cycle Portfolio Allocation in the Presence of both Housing Investment and Tax-Deferred Accounts

Cengiz Tunc (Central Bank of Turkey) and Denis Pelletier (North Carolina State University)

LUNCH: Papaz Restaurant (Bilgi University Santral Campus)

01.09.2014 MONDAY

Venue: CSM Building 201

**Session 5: FORECAST 2, chair: Barbara Rossi -
14:00 - 15:30**

Principal Inverse Components for Forecasting in Dynamic Factor Models,

Alessandro Barbarino (Federal Reserve Board)

Flexible Forecast Combination via Entropic Tilting

Todd Clark (FED of Cleveland)

Forecasting in a DSGE Model with Banking Intermediation: Evidence from US

Alessia Paccagnini (Bicocca University), Stefania Villa (University of Foggia and K.U. Leuven) and Roberta Cardani (Università degli Studi Milano-Bicocca)

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Venue: CSM Building 202

**Session 6: MACRO-FINANCE, chair: Refet Gurkaynak -
14:00 - 15:30**

Credit spread variability in U.S. business cycles: the Great Moderation versus the Great Recession

Guangling Liu (University of Stellenbosch) and Hylton Hollander (University of Stellenbosch)

Money Market Uncertainty and Macroeconomic Implications

Carlo Altavilla (European Central Bank)

The Impact of Pre-announced Day-to-day Interventions on the Colombian Exchange Rate

Luis Melo (Central Bank of Colombia), Juan Jose Echavarria (Banco de la Republica) and Mauricio Villamizar (Georgetown University)

COFFEE BREAK

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**Session 7: STRESS TEST, chair: Domenico Giannone -
16:00 - 17:30**

Stress-testing and the Federal Reserve's interest rate risk

Raffaella Giacomini (UCL) and Rhys Bidder (SF Fed)

Melting Down: Systemic financial instability and the macroeconomy

Robert Tetlow (Federal Reserve Board), Phillipp Hartmann (European Central Bank) and Kirstin Hubrich (European Central Bank) and Manfred Kremer (European Central Bank)

Stressing Bank Profitability for Interest Rate Risk

Rochelle Edge (Federal Reserve Board), Valentin Bolotnyy (Federal Reserve Board) and Luca Guerrieri (Federal Reserve Board)

**Session 8: INFLATION, chair: Barbara Rossi -
16:00 - 17:30**

What helps forecast U.S. inflation? Mind the gap!

Ayse Kabukcuoglu (Koc University) and Enrique Martinez-Garcia (Federal Reserve Bank of Dallas)

Asymmetric Behaviour of Inflation around the Target in Inflation-Targeting Emerging Markets

Kurmas Akdogan (Central Bank of the Republic of Turkey)

Inflation experience and Inflation expectations: Spatial Evidence

Marcel Fratzscher (DIW Berlin and Humboldt University), **Refet S. Gürkaynak (Bilkent University and CEPR)** and Gülserim Özcan (Bilkent University)

02.09.2014 TUESDAY

Venue: CSM Building 201

Session 9: FORECAST 2, chair: Raffaella Giacomini - 09:00 - 10:30

Government Debt and Macroeconomic Activity: A Predictive Analysis for Advanced Economies

Deniz Baglan (Howard University) and Emre Yoldas (Federal Reserve Board)

What Does Financial Volatility Tell Us About Macroeconomic Fluctuations?

Zeynep Senyuz (Federal Reserve Board), Emre Yoldas (Federal Reserve Board) and Marcelle Chauvet (University of California Riverside)

Macroeconomic Uncertainty Indices Based on Density Nowcasts and Forecasts

Barbara Rossi (ICREA-Univ. Pompeu Fabra, Barcelona GSE and CREI) and Tatevik Sekhposyan (Bank of Canada-Texas A&M Univ.)

02.09.2014 TUESDAY

Venue: CSM Building 202

Session 10: FINANCIAL CONDITIONS, chair: Todd Clark - 09:00 - 10:30

Financial Conditions Index for Turkey

Deren Unalmis (Central Bank of Turkey)

Banking Industry Risk and Macroeconomic Implications

Emre Yoldas (Federal Reserve Board), Francisco Covas (Federal Reserve Board) and Egon Zakrajsek (Federal Reserve Board)

Identification of financial factors in economic fluctuations

Francesco Furlanetto (Norges Bank), Francesco Ravazzolo (Norges Bank) and Samad Sarferaz (ETH Zurich)

COFFEE BREAK

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Session 11: BUSINESS CYCLES, chair: Alejandro Justiniano - 11:00 - 12:30

Noisy News in Business Cycles

Luca Gambetti (Universitat Autònoma de Barcelona), Mario Forni (University of Modena and Reggio Emilia) and Marco Lippi (Einaudi Institute for Economics and Finance) and Luca Sala (Università Bocconi)

Expectation-Driven Cycles: Time-varying Effects

Antonello D'Agostino (European Stability Mechanism) and Caterina Mendicino (Banco de Portugal)

News-driven business cycles in small open economies

Konstantinos Theodoridis (Bank of England), Gunes Kamber (Reserve Bank of New Zealand) and Christoph Thoenissen (University of Sheffield)

Session 12: FACTOR MODELS, chair: Raffaella Giacomini - 11:00 - 12:30

Comovements in Corporate Waves

Necati Tekatli (Central Bank of Turkey) and Gonul Colak (Florida State University)

What common factors are driving inflation in CEE countries?

Grzegorz Szafranski (Narodowy Bank Polski) and Aleksandra Hałka (Narodowy Bank Polski)

Forecasting German key macroeconomic variables using large dataset methods

Inske Pirschel (Kiel Institute for the World Economy) and Maik Wolters (Kiel Institute for the World Economy)

LUNCH: Papaz Restaurant (Bilgi University Santral Campus)

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