Aid Memoire

The next visit is scheduled for 24-28 February 2020. The topic is Macroeconomic modelling and forecasting tools.

Tentative program of the next visit:

Select 8 preferred topics

Topic		Preference
Lecture:	Brush-up econometrics and EViews common functionality	
Workshop:	Using linear regressions to estimate elasticities, multipliers, passthrough effects, and nowcasting	
Lecture:	Preparing data for economic analysis: basic data transformations, treatment of outliers and missing data	
Workshop:	Cleaning GDP data and eliminating the effects of methodological breaks	
	Identifying and forecasting seasonal patterns in GDP	
Lecture:	Seasonal adjustment: X13 (US Census Bureau) and TRAMOS (Eurostat) methodologies	
Workshop:	Estimation of seasonality, noise and trends. Forecast seasonality.	
Lecture:	Basic statistical testing of economic hypothesis	
Workshop:	Assessing the relationship between short-term interest rates and excess reserves (logistic modelling of the interest rate corridor)	
Lecture:	Univariate time-series models (ARIMA and ARIMAX models)	
Workshop:	Near-term forecasting of interest rates; forecast evaluation	
Lecture:	Forecast averaging	
Workshop:	Bottom up forecasting of headline CPI and components	
Lecture:	Vector autoregression models	
Workshop:	Applying a VAR model to forecast inflation, economic activity, money and credit demand for Sri Lanka; quantifying forecast uncertainty	
Lecture:	Structural vector autoregression model	
Workshop:	Estimating transmission mechanism of key economic shocks and of monetary/fiscal/credit policies; structural decompositions	
	Unconditional (model-based) and conditional (what-if) forecasts	
Lecture:	Conditional and unconditional forecasting with structural vector autoregression model	
Workshop:	Unconditional (model-based) and conditional (what-if) forecasts	
Lecture:	Unobserved components models	
Workshop:	Estimating output gap with univariate and multivariate filtration methods	
Lecture:	Unobserved components models	
Workshop:	Estimating output gap with univariate and multivariate filtration methods	
Lecture:	Dynamic factor models	
Workshop:	Using a dynamic factor model to nowcast current quarter GDP	
Lecture:	Error correction model	

Workshop:	Using error correction models to analyse the transmission mechanism and Granger causality among yields in Sri Lanka bond market	
Lecture:	Panel vector autoregressions	
Workshop:	Using panel VAR models to analyse pro- and counter-cyclicality of sectors of Sri Lankan economy	
Lecture:	Probabilistic models (Probit, Logit)	
Workshop:	Estimating probabilities of changes in monetary policy stance	
Lecture:	Markov-switching models	
Workshop:	Predicting recession probabilities	

Tasks for the CAL team to complete before the next visit:

For training:

- Decide on the common analytical platform for the next visit (EViews or Matlab) and install trial versions
- Read through Enders' Time Series Econometrics (https://www.academia.edu/25270301/Applied_Econometrics_Time_Series_4th_edition)

For FPAS development:

- (high priority)   Consider start developing dashboards for automated macroeconomic diagnostics
- (lower priority) Consider starting publishing a regular quarterly/biannual report on CAL's views on current economic situation, economic outlook and risk assessment