
IMF – Singapore Regional Training Institute (STI)
Course on Macroeconomic Forecasting (ST17.18)
August 7 – 18, 2017
Reading List

Monday, August 7, L–1 Overview of Macroeconomic Forecasting

IMF Institute, 2007, “Chapter 1: Basic Empirical Methods,” in *Financial Programming and Policy* (Washington: International Monetary Fund).

Pagan, Adrian, 2002, “What is a Good Macroeconomic Model for a Central Bank to Use?” Comments presented at the conference, *Macroeconomic Models for Monetary Policy*, sponsored by the Federal Reserve Bank of San Francisco and the Stanford Institute for Economic Policy Research (March 1–2). <http://www.frbsf.org/economics/conferences/0203/comments.pdf>

Monday, August 7, W–1 Workshop: Introduction to Forecasting Using EViews

EViews 9 User’s Guide I, 2015, Chapter 2 “A Demonstration” (Irvine, CA: Quantitative Micro Software, LLC), pp. 17–40.

EViews 9 Users Guide II, 2015, Chapters 23 “Forecasting from an Equation,” and Chapter 40 “Models” (Irvine, CA: Quantitative Micro Software, LLC).

Supplementary: EViews 9 Users Guide I, 2015, Chapters 3–5 (Irvine, CA: Quantitative Micro Software, LLC).

Tuesday, August 8, L–2 Properties of Time Series Data I: Stationarity, Box Jenkins ARIMA Models

Enders, Walter, 2010, “Chapter 2: Stationary Time-Series Models,” in *Applied Econometric Time Series* (New York: John Wiley & Sons, 3rd ed.), pp. 49–120.

Tuesday, August 8, L–3 Properties of Time Series Data II: Non-stationarity and Unit Roots

Enders, Walter, 2010, “Chapter 4: Models with Trend,” in *Applied Econometric Time Series* (New York: John Wiley & Sons, 3rd ed.), pp. 181–271.

Wednesday, August 9, L–4 Cointegration I: Single Equation Estimation, Error Correction Models, and Forecasting

Enders, Walter, 2010, “Chapter 6: Cointegration and Error-Correction Models,” in *Applied Econometric Time Series* (New York: John Wiley & Sons, 3rd ed.) pp. 356–65, pp. 382–85, and pp. 425–27.

Thursday, August 10, L–6 Vector Autoregressions (VAR), Structural VAR Models, Impulse Response Functions (IRFs)

Enders, Walter, 2010, “Chapter 5: Multiequation Time-Series Models,” in *Applied Econometric Time Series* (New York: John Wiley & Sons, 3rd ed.), pp. 272–355.

Supplementary

Favero, Carlo, 2001, “VAR Approach,” in *Applied Macroeconomics* (Oxford University Press), pp. 162–210.

Sims, Christopher A., 1980, “Macroeconomics and Reality,” *Econometrica*, Vol. 48, No. 1 (January), pp. 1–49. <http://www.jstor.org/stable/1912017>

Thursday, August 10, L–7 Cointegration II: Johansen Methodology

Enders, Walter, 2010, “Chapter 6: Cointegration and Error-Correction Models,” in *Applied Econometric Time Series* (New York: John Wiley & Sons, 3rd ed.), pp. 385–405.

Supplementary

Johansen, Soren, 1988, “Statistical Analysis of Cointegration Vectors,” *Journal of Economic Dynamics and Control*, Vol. 12, No. 2–3, pp. 231–54.

<http://www.sciencedirect.com/science/article/pii/>

Friday, August 11, L–8 Vector Error Correction Models: Formulation, Hypothesis Testing, and Forecasting

Johansen, Soren, 1991, “Estimation and Hypothesis Testing of Cointegrating Vectors in Gaussian Vector Autoregressive Models,” *Econometrica*, Vol. 59, No. 6 (November), pp. 1551–80. <http://www.jstor.org/stable/2938278>

Monday, August 14, L–10 State Space Representation of Dynamic Models

EViews 9 Users Guide II, 2015, Chapter 39 “States Space Models and the Kalman Filter” (Irvine, CA: Quantitative Micro Software, LLC).

Supplementary

Welch, Greg and Gary Bishop, 2006, “An Introduction to the Kalman Filter.”

<http://www.cs.unc.edu/~welch/kalman/kalmanIntro.html>

Tuesday, August 15, L–12 Combining Forecasts from Different Sources

Stock, James H., and Mark W. Watson, 2004, “Combination Forecasts of Output Growth in a Seven-Country Data Set,” *Journal of Forecasting*, Vol. 23, No. 6, pp. 405–30. Prepublication draft of paper

http://www.princeton.edu/~mwatson/papers/apf_4.pdf

Supplementary

Clemen, Robert, 1985, "Combining Forecasts: A Review and Annotated Bibliography,"
International Journal of Forecasting, Vol. 5, No. 4, pp. 559–83.

Hansen, Bruce E., 2007, "Least Squares Model Averaging," Econometrica, Vol. 75, No. 4, pp.
1175–89.

<http://www.jstor.org/stable/4502024>
