



Conference Programme

**Conference in Honour of Professor Hashem Pesaran
Winstanley Lecture Theatre
Trinity College
Cambridge**

1-2 July 2011

Friday 1st July

8.30 Coffee/Tea on Arrival - Registration

9.00 am – 11.00 am, Session 1: Panels

Chair: Allan Timmermann, University of California, San Diego

09.00-09.30: Cheng Hsiao, USC, Panel vs. Cross-Sectional Data, Invited 1

09.30-09.50: Yongcheol Shin, Leeds University Business School (joint with Matthew Greenwood-Nimmo and Till van Treeck) The Asymmetric ARDL Model with Multiple Unknown Threshold Decompositions: An Application to the Phillips Curve in Canada

09.50-10.10: Ioannis Karavias, Athens University of Economics and Business (joint with Elias Tzavalis) Panel Unit Root Tests Allowing for Serial Correlation and Structural Breaks

10.10-10.30: Aman Ullah, University of California Riverside (joint with Irina Murtazashvili and Liangjun Su) Local Linear GMM Estimation of Functional Coefficient IV Models with Application to the Estimation of Rate of Return to Schooling

10.30-11.00: Jerry Hausman, MIT, Choice Intensity: A Poisson Mixture Model with Logit-Based Random Utility Selective Mixing, Invited 2

11.00-11.30 Coffee/Tea

11:30 am – 13:00 pm, Session 2: Data Rich Models

Chair: George Kapetanios, Queen Mary, University of London

11.30-12.00: Soren Johansen, University of Copenhagen (joint with Theis Lange) Some Econometric Results for the Blanchard-Watson Bubble Model, Invited 3

12.00-12.20: Alexander Chudik, European Central Bank (joint with Matthieu Bussiere and Arnaud Mehl) How have Global Shocks Impacted the Real Effective Exchange Rates of Individual Euro Area Countries since the Euro's Creation?

12.20-12.40: Benoit Perron, University of Montreal (joint with Sylvia Goncalves) Bootstrapping Factor-Augmented Regression Models

12.40-13.00: Anil K. Bera, University of Illinois at Urbana Champaign, (joint with Monalisa Sen) Specification Tests for Spatial Panel Models

13.00-15.00 Lunch and Posters:

Lunch will be served until 13.30 in the **New Servery**, to be taken into the **Main Dining Hall**,
Poster sessions to take place in the **Old Kitchens**

Matei Demetrescu, University of Bonn (joint with Christoph Hanck) Unit Root Testing in Heteroskedastic Panels using the Cauchy Estimator

Roy Cerqueti, University of Macerata (joint with Mauro Costantini and Claudio Lupi) FDR Control in the Presence of an Unknown Correlation Structure

Kazuhiko Hayakawa, Hiroshima University, (visiting Cambridge University), An Improved GMM Estimation of Panel VAR Models with Applications to Granger Causality Test and Impulse Response Analysis

Katrin Assenmacher-Wesche, Swiss National Bank (joint with Daniel Geissmann) Forecasting Swiss Inflation and GDP with a Small Global VAR Model

Stefano Fachin, University of Rome “La Sapienza” (joint with Francesca Di Iorio) A Sieve Bootstrap Range Test for Poolability in Dependent Cointegrated Panels

Ana Beatriz Galvão, Queen Mary, University of London (joint with Michael P. Clements) Improving Real-Time Estimates of Output Gaps and Inflation Trends with Multiple Vintage VAR Models

Anindya Banerjee, University of Birmingham, and Josep Lluís Carrion-i-Silvestre, University of Barcelona, Testing for Panel Cointegration using Common Correlated Effects Estimators

Giovanni Millo, University of Trieste, Detecting Spatial Dependence in Panels with Common Factors through Permutations of Pesaran's CD(p) Test

Christian Gengenbach, Maastricht University (joint with Jean-Pierre Urbain) Testing Exogeneity in Cointegrated Panels

Neil Ericsson, Federal Reserve Board, Improving Global Vector Autoregressions

Luca Fanelli, University of Bologna, Robust Identification in Linear Rational Expectations Models

Majid Al-Sadoon, University of Cambridge (joint with Karim Chalak and Halbert White) Rational Expectations and Causality: A Settable Systems View

Alexander Chudik, European Central Bank (joint with Marcel Fratzscher) The Role of Liquidity, Risk and Economic Activity in the Global Transmission of the Financial Crisis

15.00 pm – 16.50 pm, Session 3: Forecasting/Time Series

Chair: Herman van Dijk, Erasmus University Rotterdam and Tinbergen Institute

15.00-15.30: David Hendry, University of Oxford (joint with Jennifer L. Castle and Michael P. Clements) Forecasting by Factors by Variables, or Both?, Invited 4

15.30-15.50: Shin-Huei Wang, CORE, Catholic University of Louvain (joint with Luc Bauwens and Cheng Hsiao) Forecasting Long Memory Processes Subject to Structural Breaks

15.50-16.10: Allan Timmermann, University of California San Diego (joint with Peter R. Hansen) Choice of Sample Split in Out-of-Sample Forecast Evaluation

16.10-16.30: Simon Price, Bank of England (joint with George Kapetanios) Adaptive Forecasting in the Presence of Recent Structural Change

16.30-16.50: Robert Taylor, University of Nottingham (joint with David I. Harvey and Stephen J. Leybourne) Testing for Unit Roots in the Possible Presence of Multiple Trend Breaks Using Minimum Dickey-Fuller Statistics

Saturday 2nd July

9:00 am – 10:50 am, Session 1: Macroeconometrics

Chair: Ron Smith, Birkbeck College, University of London

9.00-9.30: Ken Wallis, University of Warwick, Persistent Heterogeneity in the Bank of England's Survey of External Forecasters, 2006-2010, Invited 5

09.30-09.50: Gary Koop, University of Strathclyde (joint with M. Hashem Pesaran and Ron P. Smith) On Identification of Bayesian DSGE

09.50-10.10: Herman van Dijk, Erasmus University Rotterdam and Tinbergen Institute (joint with Lukasz Gatarek, Lennart Hoogerheide and Rodney Strachan) Bayesian Averaging over a Finite Mixture of Structural VAR's with Evidence on a Liquidity Trap Risk

10.10-10.30: Adrian Pagan, University of Sydney, Methods for Resolving Price Puzzles

10.30-10.50: Filippo di Mauro, European Central Bank (joint with Fabio Fornari and D. Mannucci) Stock Market Firm-Level Information and Real Economic Activity

10.50-11.20 Coffee/Tea

11:20 am – 13:00 pm, Session 2: Macroeconometrics and Panels

Chair: Vanessa Smith, University of Cambridge

11.20- 11.50: Enrique Sentana, CEMFI (joint with Dante Amengual and Gabriele Fiorentini)
Sequential Estimation of Shape Parameters in Multivariate Dynamic Models, Invited 6

11.50-12.10: Kevin Lee, University of Nottingham (joint with James Morley and Kalvinder Shields) The Meta Taylor Rule

12.10-12.30: Qu Feng, Nanyang Technological University (joint with Badi H. Baltagi and Chihwa Kao) A Lagrange Multiplier Test for Cross-sectional Dependence in a Fixed Effects Panel Data Model

12.30-13.00: Carlo Favero, Bocconi University, (joint with F. Giavazzi and Jacopo Perego)
Country Heterogeneity and the International Evidence on the Effects of Fiscal Policy, Invited 7

13.00-14.30 Lunch

Lunch will be served until 13.30 in the **New Servery**, to be taken into the **Main Dining Hall**

14:30 pm – 16:10 pm, Session 3: Macro & Finance

Chair: Herman van Dijk, Erasmus University Rotterdam and Tinbergen Institute

14.30-14.50: Vanessa Smith, University of Cambridge (joint with Stephane Dees, M. Hashem Pesaran, Ron P. Smith) Supply, Demand and Monetary Policy Shocks in a Multi-Country New Keynesian Model

14.50-15.10: Denise Osborn, University of Manchester (joint with Alastair R. Hall and Nikolaos D. Sakkas) Breaks in US Monetary Policy: An Information Criteria Approach to Inference with Endogenous Regressors

15.10-15.30: Michael Binder, Goethe University Frankfurt (joint with Georgios Georgiadis and Sunil Sharma) Growth Effects of International Financial Integration

15.30-15.50: Cem Cakmakli, Erasmus University Rotterdam (joint with Dick van Dijk) Getting the Most Out of Macroeconomic Information for Predicting Stock Returns and Volatility

15.50-16.10: Til Schuermann, Oliver Wyman, The Recent Financial Crises Viewed Through the Lens of Hashem's Research

16:10 Closing Remarks