By Francis X Diebold Yield Curve Modeling And Forecasting The Dynamic Nelson Siegel Approach The Econometric And Tinber Hardcover

Since the advent of Markov chain Monte Carlo (MCMC) methods in the early 1990s, Bayesian methods have been proposed for a large and growing number of applications. One of the main advantages of Bayesian inference is the ability to deal with many different sources of uncertainty, including data, models, parameters and parameter restriction uncertainties, in a unified and coherent framework. This book contributes to this literature by collecting a set of carefully evaluated contributions that are grouped amongst two topics in financial economics. The first three papers refer to macro-finance issues for real economy, including the elasticity of factor substitution (ES) in the Cobb–Douglas production function, the effects of government public spending components, and quantitative easing, monetary policy and economics. The last three contributions focus on cryptocurrency and stock market predictability. All arguments are central ingredients in the current economic discussion and their importance has only been further emphasized by the COVID-19 crisis.

At present, computational methods have received considerable attention in economics and finance as an alternative to conventional analytical and numerical paradigms. This Special Issue brings together both theoretical and application-oriented contributions, with a focus on the use of computational techniques in finance and economics. Examined topics span on issues at the center of the literature debate, with an eye not only on technical and theoretical aspects but also very practical cases. Connections among different assets, asset classes, portfolios, and the stocks of individual institutions are critical in examining financial markets. Interest in financial markets implies interest in underlying macroeconomic fundamentals. In Financial and Macroeconomic Connectedness, Frank Diebold and Kamil Yilmaz propose a simple framework for defining, measuring, and monitoring connectedness, which is central to finance and macroeconomics. These measures of connectedness are theoretically rigorous yet empirically relevant. The approach to connectedness proposed by the authors is intimately related to the familiar econometric notion of variance decomposition. The full set of variance decompositions from vector auto-regressions produces the core of the 'connectedness table.' The connectedness table makes clear how one can begin with the most disaggregated pair-wise directional connectedness measures and aggregate them in various ways to obtain total connectedness measures. The authors also show that variance decompositions define weighted, directed networks, so that these proposed connectedness measures are intimately related to key measures of connectedness used in the network literature. After describing their methods in the first part of the book, the authors proceed to characterize daily return and volatility connectedness across major asset (stock, bond, foreign exchange and commodity) markets as well as the financial institutions within the U.S. and across countries since late 1990s. These specific measures of volatility connectedness show that stock markets played a critical role in spreading the volatility shocks from the U.S. to other countries. Furthermore, while the return connectedness across stock markets increased gradually over time the volatility connectedness measures were subject to significant jumps during major crisis events. This book examines not only

financial connectedness, but also real fundamental connectedness. In particular, the authors show that global business cycle connectedness is economically significant and time-varying, that the U.S. has disproportionately high connectedness to others, and that pairwise country connectedness is inversely related to bilateral trade surpluses.

Kapitalmarkttheoretische Modelle dienen zur Bewertung unsicherer zuk nftiger Zahlungsstr me. Die verschiedenen kapitalmarktheoretischen Modelle unterscheiden sich dabei vor allem in der expliziten Bestimmung der relevanten Risikofaktoren. F r mehr als zwei Jahrzehnte galt das Capital Asset Pricing Model (CAPM) in Verbindung mit der Markteffizienztheorie als das dominierende Kapitalmarktmodell in der Wissenschaft wie auch in der Praxis. Demzufolge schwanken Aktienrenditen nur zuf llig um eine konstante risikoadjustierte Rendite, wobei das Risiko von Aktien durch ihre Korrelation mit dem Marktportfolio definiert wird. Die realisierten Renditen weichen nur zuf llig von den durch das CAPM prognostizierten Renditen ab, wodurch zuk nftige Aktienkurse nicht prognostizierbar sind und im Zeitablauf einem Random Walk folgen. Der in dieser Arbeit verfolgte Erkl rungsansatz f r die Existenz von Marktanomalien, der auf der Annahme von zeitvariablen Risikopr mien beruht, hat in j ngster Zeit mehr und mehr an Bedeutung gewonnen. Risikoaverse Investoren verlangen Pr mien f r die bernahme von konomischen Risiken. ndern sich diese konomischen Faktoren, so k nnen sich sowohl die Risiken f r Anleger als auch deren Einstellung gegen ber dem Risiko ndern. Starke Schwankungen von Aktienkursen lassen sich nach diesem Ansatz auf ein intertemporales Optimierungsverhalten von Marktakteuren zur ckf hren und m ssen keineswegs im Widerspruch zu rationalem Verhalten stehen. Die Frage nach der Existenz von Marktanomalien ist immer auch eine Frage nach dem wahren Kapitalmarktmodell. Die Renditen eines Aktienmarktes erscheinen im Lichte eines fehlspezifizierten Kapitalmarktmodells als abnormal und weisen aus Sicht des Anlegers irrationale Verhaltensmuster auf. Insbesondere die explizite Ber cksichtigung des Verhaltens von Kapitalmarktakteuren kann jedoch Aufschluss ber die konomischen Ursachen f r das empirisch beobachtete Verhalten von Aktienm rkten geben. Mit dem Konsum und den Investitione

Despite powerful advances in yield curve modeling in the last twenty years, comparatively little attention has been paid to the key practical problem of forecasting the yield curve. In this paper we do so. We use neither the no-arbitrage approach, which focuses on accurately fitting the cross section of interest rates at any given time but neglects time-series dynamics, nor the equilibrium approach, which focuses on time-series dynamics (primarily those of the instantaneous rate) but pays comparatively little attention to fitting the entire cross section at any given time and has been shown to forecast poorly. Instead, we use variations on the Nelson-Siegel exponential components framework to model the entire yield curve, period-by-period, as a three dimensional parameter evolving dynamically. We show that the three time-varying parameters may be interpreted as factors corresponding to level, slope and curvature, and that they may be estimated with high efficiency. We propose and estimate autoregressive models for the factors, and we show that our models are consistent with a variety of stylized facts regarding the yield curve. We use our models to produce term-structure forecasts at both short and long horizons encouraging results. In particular, our forecasts appear much more accurate at long horizons than various standard benchmark forecasts.

In 1984, the University of Bonn (FRG) and the International Institute for Applied System Analysis (IIASA) in Laxenburg (Austria), created a joint research group to analyze the relationship between economic growth and structural change. The research team was to examine the commodity composition as well as the size and direction of commodity and credit flows among countries and regions. Krelle (1988) reports on the results of this "Bonn-IIASA" research project. At the same time, an informal IIASA Working Group was initiated to deal with prob lems of the statistical analysis of economic data in the context of structural change: What tools do we have to identify nonconstancy of model parameters? What type of models are particularly applicable to nonconstant structure? How is forecasting affected by the presence of nonconstant structure? What problems should be anticipated in applying these tools and models? Some 50 experts, mainly statisticians or econometricians from about 15 countries, came together in Lodz, Poland (May 1985); Berlin, GDR (June 1986); and Sulejov, Poland (September 1986) to present and discuss their findings. This volume contains a selected set of those conference contributions as well as several specially invited chapters.

There is much confusion in the economics literature on wage determination and the employment-inflation trade-off. Few model builders pay as much careful attention to the definition and meaning of long-run concepts as did Albert Ando. Expanding on years of painstaking work by Ando, the contributors elaborate on the main issues of economic analysis and policies that concerned him. The present Special Issue collects a number of new contributions both at the theoretical level and in terms of applications in the areas of nonparametric and semiparametric econometric methods. In particular, this collection of papers that cover areas such as developments in local smoothing techniques, splines, series estimators, and wavelets will add to the existing rich literature on these subjects and enhance our ability to use data to test economic hypotheses in a variety of fields, such as financial economics, microeconomics, macroeconomics, labor economics, and economic growth, to name a few.

This book reviews and develops Bayesian non-parametric and semi-parametric methods for applications in microeconometrics and quantitative marketing. Most econometric models used in microeconomics and marketing applications involve arbitrary distributional assumptions. As more data becomes available, a natural desire to provide methods that relax these assumptions arises. Peter Rossi advocates a Bayesian approach in which specific distributional assumptions are replaced with more flexible distributions based on mixtures of normals. The Bayesian approach can use either a large but fixed number of normal components in the mixture or an infinite number bounded only by the sample size. By using flexible distributional approximations instead of fixed parametric models, the Bayesian approach can reap the advantages of an efficient method that models all of the structure in the data while retaining desirable smoothing properties. Non-Bayesian non-parametric methods often require additional ad hoc rules to avoid "overfitting," in which resulting density approximates are nonsmooth. With proper priors, the Bayesian approach largely avoids overfitting, while retaining flexibility. This book provides methods for assessing informative priors that require only simple data normalizations. The book also applies the mixture of the normals approximation method to a number of important models in microeconometrics and marketing, including the non-parametric and semi-parametric regression models, instrumental variables problems, and models of heterogeneity. In addition, the author has written a free online software package in R, "bayesm," which implements all of the non-parametric models discussed in the book.

From the field's leading authority, the most authoritative and comprehensive advanced-level textbook on asset pricing In Financial Decisions

and Markets, John Campbell, one of the field's most respected authorities, provides a broad graduate-level overview of asset pricing. He introduces students to leading theories of portfolio choice, their implications for asset prices, and empirical patterns of risk and return in financial markets. Campbell emphasizes the interplay of theory and evidence, as theorists respond to empirical puzzles by developing models with new testable implications. The book shows how models make predictions not only about asset prices but also about investors' financial positions, and how they often draw on insights from behavioral economics. After a careful introduction to single-period models, Campbell develops multiperiod models with time-varying discount rates, reviews the leading approaches to consumption-based asset pricing, and integrates the study of equities and fixed-income securities. He discusses models with heterogeneous agents who use financial markets to share their risks, but also may speculate against one another on the basis of different beliefs or private information. Campbell takes a broad view of the field, linking asset pricing to related areas, including financial econometrics, household finance, and macroeconomics. The textbook works in discrete time throughout, and does not require stochastic calculus. Problems are provided at the end of each chapter to challenge students to develop their understanding of the main issues in financial economics. The most comprehensive and balanced textbook on asset pricing available, Financial Decisions and Markets is an essential resource for all graduate students and practitioners in finance and related fields. Integrated treatment of asset pricing theory and empirical evidence Emphasis on investors' decisions Broad view linking the field to financial econometrics, household finance, and macroeconomics Topics treated in discrete time, with no requirement for stochastic calculus Solutions manual for problems available to professors

The global financial crisis highlighted the impact on macroeconomic outcomes of recurrent events like business and financial cycles, highs and lows in volatility, and crashes and recessions. At the most basic level, such recurrent events can be summarized using binary indicators showing if the event will occur or not. These indicators are constructed either directly from data or indirectly through models. Because they are constructed, they have different properties than those arising in microeconometrics, and how one is to use them depends a lot on the method of construction. This book presents the econometric methods necessary for the successful modeling of recurrent events, providing valuable insights for policymakers, empirical researchers, and theorists. It explains why it is inherently difficult to forecast the onset of a recession in a way that provides useful guidance for active stabilization policy, with the consequence that policymakers should place more emphasis on making the economy robust to recessions. The book offers a range of econometric tools and techniques that researchers can use to measure recurrent events, summarize their properties, and evaluate how effectively economic and statistical models capture them. These methods also offer insights for developing models that are consistent with observed financial and real cycles. This book is an essential resource for students, academics, and researchers at central banks and institutions such as the International Monetary Fund.

The popular Nelson-Siegel (1987) yield curve is routinely fit to cross sections of intra-country bond yields, and Diebold and Li (2006) have recently proposed a dynamized version. In this paper we extend Diebold-Li to a global context, modeling a potentially large set of country yield curves in a framework that allows for both global and country-specific factors. In an empirical analysis of term structures of government bond yields for the Germany, Japan, the U.K. and the U.S., we find that global yield factors do indeed exist and are economically important, generally explaining significant fractions of country yield curve dynamics, with interesting differences across countries.

Modern financial management is largely about risk management, which is increasingly data-driven. The problem is how to extract information from the data overload. It is here that advanced statistical and machine learning techniques can help. Accordingly, finance, statistics, and data analytics go hand in hand. The purpose of this book is to bring the state-of-art research in these three areas to the fore and especially

research that juxtaposes these three.

Matlab is used within nearly all investment banks and is a requirement in most quant job ads. There is no other book written for finance practitioners that covers this Enables readers to implement financial and econometric models in Matlab All central concepts and theories are illustrated by Matlab implementations which are accompanied by detailed descriptions of the programming steps needed All concepts and techniques are introduced from a basic level Chapter 1 introduces Matlab and matrix algebra, it serves to make the reader familiar with the use and basic capabilities if Matlab. The chapter concludes with a walkthrough of a linear regression model, showing how Matlab can be used to solve an example problem analytically and by the use of optimization and simulation techniques Chapter 2 introduces expected return and risk as central concepts in finance theory using fixed income instruments as examples, the chapter illustrates how risk measures such as standard deviation, Modified duration, VaR, and expected shortfall can be calculated empirically and in closed form Chapter 3 introduces the concept of diversification and illustrates how the efficient investment frontier can be derived - a Matlab is developed that can be used to calculate a given number of portfolios that lie on an efficient frontier, the chapter also introduces the CAPM Chapter 4 introduces econometric tools: principle component analysis is presented and used as a prelude to yield-curve factor models. The Nelson-Siegel model is used to introduce the Kalman-Filter as a way to add time-series dynamics to the evolution of yield curves over time, time series models such as Vector Autoregression and regime-switching are also presented Supported by a website with online resources - www.kennyholm.com where all Matlab programs referred to in the text can be downloaded. The site also contains lecture slides and answers to end of chapter exercises Yield Curve Modeling and ForecastingThe Dynamic Nelson-Siegel ApproachPrinceton University Press

The first reference work ever to be awarded the Eccles Prize for Excellence in Economic Writing from Columbia Business School. Continuing in the tradition of The New Palgrave , this 3-volume set provides an unparalleled guide to modern money, banking and finance. In over 1,000 substantial essays by leading academic and professional authorities, it provides the most comprehensive analysis available of contemporary theory and the fast-evolving global monetary and financial framework. In its scope and depth of coverage, it is indispensable for the academic and practitioner alike.

Debt Markets and Investments provides an overview of the dynamic world of markets, products, valuation, and analysis of fixed income and related securities. Experts in the field, practitioners and academics, offer both diverse and in-depth insights into basic concepts and their application to increasingly intricate and real-world situations. This volume spans the entire spectrum from theoretical to practical, while attempting to offer a useful balance of detailed and user-friendly coverage. The volume begins with the basics of debt markets and investments, including basic bond terminology and market sectors. Among the topics covered are the relationship between fixed income and other asset classes as well as the differences in fundamental risk. Particular emphasis is given to interest rate risk as well as credit risks as well as those associated with inflation, liquidity, reinvestment, and ESG. Authors then turn to market sectors, including government debt, municipal bonds, the markets for corporate bonds, and developments in securitized debt markets along with derivatives and private debt markets. The third section focuses on models of yield curves, interest rates, and swaps, including opportunities for arbitrage. The next two sections focus on bond and securitized products, from sovereign debt and mutual funds focused on bonds to how securitization has increased liquidity through such innovations as mortgaged-and asset- backed securities, as well as collateralized debt-, bond-, and loan obligations. Authors next discuss various methods of valuation of bonds and securities, including the use of options and derivatives. The volume concludes with discussions of how debt can play a role in financial strategies and portfolio creation. Readers interested in a broad

survey will benefit as will those looking for more in-depth presentations of specific areas within this field of study. In summary, the book provides a fresh look at this intriguing and dynamic but often complex subject.

Recently, considerable attention has been placed on the development and application of tools useful for the analysis of the high-dimensional and/or high-frequency datasets that now dominate the landscape. The purpose of this Special Issue is to collect both methodological and empirical papers that develop and utilize state-of-the-art econometric techniques for the analysis of such data.

Artificial intelligence (AI) is regarded as the science and technology for producing an intelligent machine, particularly, an intelligent computer program. Machine learning is an approach to realizing AI comprising a collection of statistical algorithms, of which deep learning is one such example. Due to the rapid development of computer technology, AI has been actively explored for a variety of academic and practical purposes in the context of financial markets. This book focuses on the broad topic of "AI and Financial Markets", and includes novel research associated with this topic. The book includes contributions on the application of machine learning, agent-based artificial market simulation, and other related skills to the analysis of various aspects of financial markets.

China's financial prices are informative enough for the PBC to introduce a monetary policy framework centered around interest rates. While bond yields are not fully efficient?reflecting regulation, liquidity, and segmentation?we find they contain considerable information about the state of the economy as well as evidence of an emerging transmission channel: changes in PBC rates influence the structure of Treasury, financial, and corporate bond yield curves, which are then associated with changes in growth and inflation. Coporate spreads are also a leading indicator of growth and inflation. While further liberalization will strengthen both efficiency and transmission, several necessary elements to move towards indirect monetary policy are already in place.

Dynamic stochastic general equilibrium (DSGE) models have become one of the workhorses of modern macroeconomics and are extensively used for academic research as well as forecasting and policy analysis at central banks. This book introduces readers to state-of-the-art computational techniques used in the Bayesian analysis of DSGE models. The book covers Markov chain Monte Carlo techniques for linearized DSGE models, novel sequential Monte Carlo methods that can be used for parameter inference, and the estimation of nonlinear DSGE models based on particle filter approximations of the likelihood function. The theoretical foundations of the algorithms are discussed in depth, and detailed empirical applications and numerical illustrations are provided. The book also gives invaluable advice on how to tailor these algorithms to specific applications and assess the accuracy and reliability of the computations. Bayesian Estimation of DSGE Models is essential reading for graduate students, academic researchers, and practitioners at policy institutions.

This paper applies the models used to study yield curve dynamics and spillovers in the U.S. and other countries to Central and Eastern European countries (CEE countries). Using the Diebold, Rudebusch, and Aruoba (2006) dynamic version of the Nelson-Siegel representation of the yield curve, the paper finds that the two-way relationship between macroeconomic and financial variables in the CEE countries is similar to the one in mature economies. However, inflation shocks have very little persistence in the CEE countries, owing to the strong convergence trends in these countries-which tend to re-anchor expectations faster. Increased convergence in policies and market integration over time are associated with a stronger correlation between the levels of the yield curves, while the curves slopes are more driven by

idiosyncratic factors. Shifts in the euro yield curve are transmitted both to interest rates and inflation expectations in the CEE countries-and transmission is stronger after 2004.

Financial econometrics has developed into a very fruitful and vibrant research area in the last two decades. The availability of good data promotes research in this area, specially aided by online data and high-frequency data. These two characteristics of financial data also create challenges for researchers that are different from classical macro-econometric and micro-econometric problems. This Special Issue is dedicated to research topics that are relevant for analyzing financial data. We have gathered six articles under this theme.

Understanding the current state of affairs and tools available in the study of international finance is increasingly important as few areas in finance can be divorced completely from international issues. International Finance reflects the new diversity of interest in international finance by bringing together a set of chapters that summarizes and synthesizes developments to date in the many and varied areas that are now viewed as having international content. The book attempts to differentiate between what is known, what is believed, and what is still being debated about international finance. The survey nature of this book involves tradeoffs that inevitably had to be made in the process given the vast footprint that constitutes international finance. No single book can cover everything. This book, however, tries to maintain a balance between the micro and macro aspects of international finance. Although each chapter is self-contained, the chapters form a logical whole that follows a logical sequence. The book is organized into five broad categories of interest: (1) exchange rates and risk management, (2) international financial markets and institutions, (3) international investing, (4) international financial management, and (5) special topics. The chapters cover market integration, financial crisis, and the links between financial markets and development in some detail as they relate to these areas. In each instance, the contributors to this book discuss developments in the field to date and explain the importance of each area to finance as a field of study. Consequently, the strategic focus of the book is both broad and narrow, depending on the reader's needs. The entire book provides a broad picture of the current state of international finance, but a reader with more focused interests will find individual chapters illuminating on specific topics.

The economic influence of central banks has received ever more attention given their centrality during the financial crises that led to the Great Recession, strains in the European Union, and the challenges to the Euro. The Oxford Handbook of the Economics of Central Banking reflects the state of the art in the theory and practice and covers a wide range of topics that will provide insight to students, scholars, and practitioners. As an up to date reference of the current and potential challenges faced by central banks in the conduct of monetary policy and in the search for the maintenance of financial system stability, this Oxford Handbook covers a wide range of essential issues. The first section provides insights into

central bank governance, the differing degrees of central bank independence, and the internal dynamics of their decision making. The next section focuses on questions of whether central banks can ameliorate fiscal burdens, various strategies to affect monetary policy, and how the global financial crisis affected the relationship between the traditional focus on inflation targeting and unconventional policy instruments such as quantitative easing (QE), foreign exchange market interventions, negative interest rates, and forward guidance. The next two sections turn to central bank communications and management of expectations and then mechanisms of policy transmission. The fifth part explores the challenges of recent developments in the economy and debates about the roles central banks should play, focusing on micro- and macro-prudential arguments. The implications of recent developments for policy modeling are covered in the last section. The breadth and depth enhances understanding of the challenges and opportunities facing central banks.

We derive the class of arbitrage-free affine dynamic term structure models that approximate the widely-used Nelson-Siegel yield-curve specification. Our theoretical analysis relates this new class of models to the canonical representation of the three-factor arbitrage-free affine model. Our empirical analysis shows that imposing the Nelson-Siegel structure on this canonical representation greatly improves its empirical tractability; furthermore, we find that improvements in predictive performance are achieved from the imposition of absence of arbitrage.

ELEMENTARY FORECASTING focuses on the core techniques of widest applicability. The author illustrates all methods with detailed real-world applications, many of them international in flavor, designed to mimic typical forecasting situations. Understanding the dynamic evolution of the yield curve is critical to many financial tasks, including pricing financial assets and their derivatives, managing financial risk, allocating portfolios, structuring fiscal debt, conducting monetary policy, and valuing capital goods. Unfortunately, most yield curve models tend to be theoretically rigorous but empirically disappointing, or empirically successful but theoretically lacking. In this book, Francis Diebold and Glenn Rudebusch propose two extensions of the classic yield curve model of Nelson and Siegel that are both theoretically rigorous and empirically successful. The first extension is the dynamic Nelson-Siegel model (DNS), while the second takes this dynamic version and makes it arbitrage-free (AFNS). Diebold and Rudebusch show how these two models are just slightly different implementations of a single unified approach to dynamic yield curve modeling and forecasting. They emphasize both descriptive and efficient-markets aspects, they pay special attention to the links between the yield curve and macroeconomic fundamentals, and they show why DNS and AFNS are likely to remain of lasting appeal even as alternative arbitrage-free models are developed. Based on the Econometric and Tinbergen Institutes Lectures, Yield Curve Modeling and Forecasting contains essential tools with enhanced utility for academics, central banks, governments, and industry.

This volume presents current developments in the fields of banking and finance from an international perspective. Featuring contributions from the 3rd International Conference on Banking and Finance Perspectives (ICBFP), this volume serves as a valuable forum for discussing current issues and trends in the banking and financial sectors, especially in light of the global economic challenges triggered by financial institutions. Using the latest theoretical models, new perspectives are brought to topics such as e-finance and e-banking, Islamic banking, capital flight, bank efficiency, risk assessment, bankruptcy, investment diversification, and insider trading. Offering an opportunity to explore the challenges of a rapidly changing industry, this volume will be of interest to academics, policy makers, and scholars in the fields of banking, insurance, and finance.

The information about the properties and dynamics of term structure and its modeling hold tremendous interest for financial practitioners and policymakers alike. Accurate forecasting of the term structure of interest rates also plays a very important role for many reasons, particularly for bond portfolio and risk management, hedging derivatives, monetary and debt policy. The present dissertation contains the empirical research for the EU term structure of interest rates. The data analyzed here cover a time series based on the Euro and currencies of other six EU countries. The goal is to examine empirical properties and analyze in-sample and out-of-sample results for corresponding spot rates using 15 competitor GARCH(1,1) models with different distributional assumptions. Alltogether, the work summarizes 1680 x GARCH(1,1) in-sample and over 60000 x GARCH(1,1) out-of-sample estimation results. Moreover, the dissertation consists of 48 figures and 98 tables.

The highly prized ability to make financial plans with some certainty about the future comes from the core fields of economics. In recent years the availability of more data, analytical tools of greater precision, and ex post studies of business decisions have increased demand for information about economic forecasting. Volumes 2A and 2B, which follows Nobel laureate Clive Granger's Volume 1 (2006), concentrate on two major subjects. Volume 2A covers innovations in methodologies, specifically macroforecasting and forecasting financial variables. Volume 2B investigates commercial applications, with sections on forecasters' objectives and methodologies. Experts provide surveys of a large range of literature scattered across applied and theoretical statistics journals as well as econometrics and empirical economics journals. The Handbook of Economic Forecasting Volumes 2A and 2B provide a unique compilation of chapters giving a coherent overview of forecasting theory and applications in one place and with up-to-date accounts of all major conceptual issues. Focuses on innovation in economic forecasting via industry applications Presents coherent summaries of subjects in economic forecasting that stretch from methodologies to applications Makes details about economic forecasting accessible to scholars in fields outside economics

Includes annual List of doctoral dissertations in political economy in progress in American universities and colleges; and the Handbook of the American Economic Association.

In this valuable volume, Nobel Prize-winner Klein gathers together a group of authors who focus on forecasting models for a number of economies. The variety of the models and the structural differences among them are especially interesting. . . Readers interested in forecasting methodologies will find much of value in this volume. Highly recommended. I. Walter, Choice This

important book, prepared under the direction of Nobel Laureate Lawrence R. Klein, shows how economic forecasts are made. It explains how modern developments in information technology have made it possible to forecast frequently at least monthly but also weekly or bi-weekly depending upon the perceived needs of potential forecast users and also on the availability of updated material. The book focuses on forecasts in a diverse range of economies including the United States, China, India, Russia, Germany, Japan, South Korea, and Turkey. At a time of great economic uncertainty, this book makes an important contribution by showing how new information technology can be used to prepare national economic forecasts.

Policymakers and business practitioners are eager to gain access to reliable information on the state of the economy for timely decision making. More so now than ever. Traditional economic indicators have been criticized for delayed reporting, out-of-date methodology, and neglecting some aspects of the economy. Recent advances in economic theory, econometrics, and information technology have fueled research in building broader, more accurate, and higher-frequency economic indicators. This volume contains contributions from a group of prominent economists who address alternative economic indicators, including indicators in the financial market, indicators for business cycles, and indicators of economic uncertainty.