

Macroeconomics II University of Padova

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Aim of the course

This is a 10 hour-subject. Students will be introduced to reduced-form VARs and a variety of different identification schemes to move from the description of the data (provided by the reduced-form analysis) to the interpretation of the data (via the structural analysis). The aim of the course is to endow students with knowledge that will enable them to i) read state-of-the-art scientific papers based on Structural VAR (SVAR) analysis; ii) produce scientific research based on such approach.

Exam

2 hour-written exam, closed books.

Syllabus & readings

Note: References marked with an asterisk are exam material.

1. *VAR: Reduced-form analysis* [1.5hr]

(*) Kilian and Lütkepohl (2017) - chapter 2.

2. *SVAR: Cholesky-identification strategy* [1.5hr]

(*) Kilian and Lütkepohl (2017) - chapter 4, Sims (1980), Christiano, Eichenbaum, and Evans (1999), Christiano, Eichenbaum, and Evans (2005), Stock and Watson (2001), Castelnovo and Surico (2010).

3. *SVAR: Sign restrictions* [2hrs]

Faust (1998), Canova and de Nicoló (2002), (*) Uhlig (2005), (*) Fry and Pagan (2011), Rubio-Ramírez, Waggoner, and Zha (2010), Baumeister and Hamilton (2015), Kim, Moon, and Velasco (2017).

4. *SVAR: Coefficients, shocks, and other restrictions* [2hrs]

(*) Ludvigson, Ma, and Ng (2019b), Ludvigson, Ma, and Ng (2019a), (*) Antolín-Díaz and Rubio-Ramírez (2019), Furlanetto, Ravazzolo, and Sarferaz (2019), (*) Arias, Caldara, and Rubio-Ramírez (2019), (*) Wolf (2019).

5. *Proxy-SVARs* [1.5hrs]

(*) Mertens and Ravn (2013), Stock and Watson (2018), Gertler and Karadi (2015), Caldara and Kamps (2017).

6. *Local Projections* [1.5hrs]

Jordà (2005), (*) Ramey and Zubairy (2018), Tenreyro and Thwaites (2016), (*) Plagborg-Møller and Wolf (2018).

References

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