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NATIONAL BUREAU OF ECONOMIC RESEARCH, INC.

SUMMER INSTITUTE 2014

Forecasting & Empirical Methods

Jonathan Wright and Allan Timmermann, Organizers

July 8-11, 2014

Longfellow Room
Royal Sonesta Hotel
40 Edwin H. Land Boulevard
Cambridge, Massachusetts

PROGRAM

**Tuesday, July 8:**

8:00 am     Coffee and Pastries

**Econometrics and Forecasting**

8:30 am     Ulrich Mueller, Princeton University
            Yulong Wang, Princeton University
            *Inference about Extreme Quantiles and Conditional Tail Expectations*

9:15 am     Anurag Banerjee, Durham University, UK
            Guillaume Chevillon, ESSEC Business School
            Marie Kratz, ESSEC Business School
            *Detecting and Forecasting Large Deviations and Bubbles in a Near-Explosive Random Coefficient Model*

10:00 am    Break

10:30 am    Barbara Rossi, Universitat Pompeu Fabra
            Tatevik Sekhposyan, Texas A&M University
            *Forecast Rationality Tests in the Presence of Instabilities, With Applications to Federal Reserve and Survey Forecasts*

11:15 am    Gray Calhoun, Iowa State University
            *Improved Stepdown Methods for Asymptotic Control of Generalized Error Rates*

12:00 pm    Lunch and Adjourn

**Wednesday, July 9:**

8:00 am     Coffee and Pastries
Macro-Finance

8:30 am  Marco Del Negro, Federal Reserve Bank of New York  
Frank Schorfheide, University of Pennsylvania and NBER  
*Dynamic Prediction Pools: An Investigation of Financial Frictions and Forecasting Performance*

9:15 am  Philippe Andrade, Banque de France  
Richard Crump, Federal Reserve Bank of New York  
Stefano Eusepi, Federal Reserve Bank of New York  
Emanuel Moench, Federal Reserve Bank of New York  
*Fundamental Disagreement*

10:00 am  Break

10:30 am  Gill Segal, University of Pennsylvania  
Ivan Shaliastovich, University of Pennsylvania  
Amir Yaron, University of Pennsylvania and NBER  
*Good and Bad Uncertainty: Macroeconomic and Financial Market Implications*

11:15 am  Eric Ghysels, University of North Carolina  
Anh Le, University of North Carolina  
Sunjin Park, University of North Carolina  
Haoxiang Zhu, Massachusetts Institute of Technology  
*Risk and Return Trade-off in the U.S. Treasury Market*

12:00 pm  Lunch and Adjourn

6:00 pm  Clambake, Royal Sonesta Hotel

Thursday, July 10:

8:00 am  Coffee and Pastries

**VARs and Panel Data Models**

8:30 am  Todd Clark, Federal Reserve Bank of Cleveland  
Michael McCracken, Federal Reserve Bank of Saint Louis  
*Evaluating Conditional Forecasts from Vector Autoregressions*

9:15 am  Tomohiro Ando, Keio University  
Jushan Bai, Columbia University  
*Panel Data Models with Grouped Factor Structure under Unknown Group Membership*

10:00 am  Break

10:30 am  James Hamilton, University of California at San Diego and NBER  
Christiane Baumeister, Bank of Canada  
*Sign Restrictions, Structural Vector Autoregressions, and Useful Prior Information*

11:15 am  Jonas Arias, Federal Reserve Board  
Juan Rubio-Ramírez, Duke University
Daniel F. Waggoner, Federal Reserve Bank of Atlanta
_Inference Based on SVARs Identified with Sign and Zero Restrictions: Theory and Applications_

12:00 pm  Lunch and Adjourn

Friday, July 11:

8:00 am  Coffee and Pastries

**Options Markets and Risk Premia**

8:30 am  Geert Bekaert, Columbia University and NBER
         Eric Engstrom, Federal Reserve Board
         Andrey Ermolov, Columbia University
         _Bad Environments, Good Environments: A Non-Gaussian Asymmetric Volatility Model_

9:15 am  Zhaogang Song, Federal Reserve Board
         George Gao, Cornell University
         _Rare Disaster Concerns Everywhere_

10:00 am  Break

10:30 am  Torben Andersen, Northwestern University and NBER
          Nicola Fusari, Northwestern University
          Viktor Todorov, Northwestern University
          _The Risk Premia Embedded in Index Options_

11:15 am  Aytek Malkhozov, McGill University
          Laurent Barras, McGill University
          _Variance Risk Premium Dynamics in Equity and Option Markets_

12:00 pm  Lunch and Adjourn