



Upcoming Seminars

Wednesday, 2.5.2018 Macro & Econometrics Seminar

14.00-15.00

AWI 01.030

Christopher Zuber

"Revisions to Potential Output Estimates in the EU after the Great Recession"

Wednesday, 2.5.2018 SAI Guest Lecture

14.30

SAI Room 509

Matthias Hertweck, Deutsche Bundesbank

"Gamble on Rains: The Short and Long-Term Effects of Monsoon Rainfall in India's Agricultural Sector"

Macro & Econometrics Seminar

Christopher Zuber

"Revisions to Potential Output Estimates in the EU after the Great Recession"*

Potential output (PO) estimates were substantially revised downwards for most EU countries after the Great Recession. Using real-time data published by the European Commission, we decompose PO revisions into revisions to the capital stock, trend labor input, and trend TFP. We show that capital revisions account for 43 % of the PO revisions in the long run; trend labor input and trend TFP account for 31 % and 26 %. On average, revisions are made within one year after the start of the crisis. TFP revisions lead, on average, revisions to the capital stock and trend labor input by six months. A deterioration of the current account balance or the primary balance in the period 2002-07 goes along with higher downward revisions of PO after the Great Recession.

* with Jonas Dovern

Talks and Research Visits

Onno Kleen presented the paper "Low-volatility forecasting for low-volatility investing" (joint with Christian Conrad and Fabian Krüger) at the Frontiers of Factor Investing Conference, Lancaster University, April 23; and before he presented the paper "Two are better than one: volatility forecasting using multiplicative component GARCH models" (joint with Christian Conrad) at the IV International PhD Conference in Economics, University of Leicester, March 23.

**Editorial deadline for issue 09-10/2018 of the newsletter:
Wednesday, May 2, 2018, 12 p.m.
newsletter@awi.uni-heidelberg.de**

If you would like to receive the newsletter by email,
please contact the address above.