25TH ANNUAL MEETING
OF THE MIDWEST ECONOMETRICS GROUP

FEDERAL RESERVE BANK OF ST. LOUIS
FRIDAY AND SATURDAY, OCTOBER 9-10, 2015
(./)

- Home (./)
- Local Organizing Committee (./committee)
- Paper Submissions and Deadlines (./paper-submissions)
- Registration (https://www.cvent.com/annual-meeting-of-the-midwest-econometrics-group/registration-d27d6739d20a475ba5b2
- Travel Information (./travel-info)
- Program (./program)
- Participants (./participants)
- About the Federal Reserve Bank of St. Louis (./about)

Download (./docs/MEG2015_program.pdf)
This is a preliminary program and subject to change.

Friday, October 9

8:30 a.m. – 8:45 a.m.	Introduction
8:45 a.m. – 10:30 a.m.	Parallels 1 Microeconometrics 1 (Chair: Ted Juhl) St. Louis Room **"Alternative Discrete Kernel Functions for Applied Density and Regression Estimation"** *Presenter:* Chi-Yang Chu (University of Alabama) *Authors:* Chi-Yang Chu; Daniel Henderson; Christopher Parmeter **"Panel Data Models with Two Threshold Variables"** *Presenter:* Nelson Ramire-Rondan (Central Bank of Peru) *Authors:* Arturo Lamadrid-Contreras; Nelson Ramire-Rondan **"On Estimating Partial Effects After Retransformation"** *Presenter:* Shengwu Shang (Ball State University) *Authors:* Shengwu Shang; Jeff M. Wooldridge **"Slope Heterogeneity Bias in Panel Data Models Testing and Inference"** *Presenter:* Ted Juhl (University of Kansas) *Authors:* Murillo Campello; Antonio Galvao; Ted Juhl

Theory 1 (Chair: Thomas Parker)
Kentucky Room

"Functional autoregressive model for time series of state distributions"
Presenter: Bo Hu (Indiana University)
Authors: Bo Hu; Joon Park; Junhui Qian

"Estimation of Longrun Variance of Continuous Time Process Using Discrete Sample"
Presenter: Ye Lu (Indiana University)
Authors: Ye Lu; Joon Park

"Objective Bayes Factors for Model Selection"
Presenter: Hamed Namavari (University of Cincinnati)
Authors: Jeffrey Mills; Hamed Namavari

"Inference for Stochastic Dominance Using Large-Deviations Asymptotics"
Presenter: Thomas Parker (University of Waterloo)
Authors: Thomas Parker

Monetary Policy (Chair: Randal Verbrugge)
Missouri Room

"The Joint Services of Money and Credit"
Presenter: Liting Su (University of Kansas)
Authors: William Barnett; Liting Su

"Forward-looking Monetary Policy, Real-time Forecasts, and the Price Puzzle"
Presenter: Pavel Kapinos (FDIC)
Authors: Gabriela Best; Pavel Kapinos

"Nonlinearities, Smoothing, and Countercyclical Monetary Policy"
Presenter: Laura Jackson (Bentley University)
Authors: Laura Jackson; Michael Owyang; Daniel Soques

	"Causes and Consequences of Long-Term Inflation Expectations" *Presenter:* Randal Verbrugge (Federal Reserve Bank of Cleveland) *Authors:* Carola Conces Binder; Amy Higgins; Randal Verbrugge VARs (Chair: John Keating) Tennessee Room **"Inference for VARs Identifed with Sign Restrictions"** *Presenter:* Eleonora Granziera (Bank of Canada) *Authors:* Eleonora Granziera; Hyungsik Roger Moon; Frank Schorfheide **"Weak Inference for Dynamic Stochastic General Equilibrium Models with Time-varying Parameters"** *Presenter:* Naijing Huang (Boston College) *Authors:* Naijing Huang **"Impulse Response Matching Estimators for DSGE Models"** *Presenter:* Atsushi Inoue (Vanderbilt University) *Authors:* Pablo Guerron-Quintana; Atsushi Inoue; Lutz Kilian **"Asymmetric Vector Autoregressive Moving Average Models"** *Presenter:* John Keating (University of Kansas) *Authors:* John Keating
10:30 a.m. – 10:45 a.m.	Break
10:45 a.m. – 12:30 p.m.	Parallels 2 Microeconometrics 2 (Chair: Valentin Verdier) St. Louis Room **"Test of equilibrium uniqueness in discrete games with a flexible information structure"**

Presenter: Mathieu Marcoux (University of Toronto)
Authors: Mathieu Marcoux

"Partial Independence in Nonseparable Models"
Presenter: Alexandre Poirier (University of Iowa)
Authors: Matthew Masten; Alexandre Poirier

"AMH copula ML estimation for the sample selection model"
Presenter: Hosin Song (Ewha Womans University)
Authors: Hosin Song

"Identification and Estimation of Peer Effects with Panel Data"
Presenter: Valentin Verdier (University of North Carolina - Chapel Hill)
Authors: Valentin Verdier

Theory 2 (Chair: Jason Blevins)
Kentucky Room

"On Standard Inference for GMM with Seeming Local Identification Failure"
Presenter: Ji Hyung Lee (University of Illinois)
Authors: Zhipeng Liao; Ji Hyung Lee

"Uniform inference on quantile treatment effects"
Presenter: Antonio Galvao (Sao Paulo School of Economics)
Authors: Sergio Firpo; Antonio Galvao

"On the Over-detection Probability of the Number of Factors"
Presenter: Jaewoo Oh (Syracuse University)
Authors: Chihwa Kao; Jaewoo Oh

"Identifying Restrictions for Finite Parameter Continuous Time Models with Discrete Time Data"
Presenter: Jason Blevins (The Ohio State University)

Authors: Jason Blevins

Macro Modeling (Chair: Regina Martinez)
Missouri Room

“Nonlinearities in the U.S. Wage Phillips Curve”
Presenter: Luiggi Donayre (University of Minnesota)
Authors: Luiggi Donayre; Irina Panovska

“Bifurcation of Macroeconometric Models and Robustness of Dynamical Inferences”
Presenter: Guo Chen (University of Kansas)
Authors: William Barnett; Guo Chen

“Monetary-Fiscal interaction with endogenous regime change”
Presenter: Boreum Kwak (University of Indiana)
Authors: Yoosoon Chang; Boreum Kwak; Eric Leeper

“Revisiting "The Myth of Economic Recovery" a Multivariate Approach”
Presenter: Regina Martinez (George Washington University)
Authors: Regina Martinez

Financial Modeling (Chair: Xiaming Zeng)
Tennessee Room

“The Information Content of Equity Derivatives Theory and Empirics”
Presenter: Davide Avino (Swansea University)
Authors: Davide Avino; Andrei Stancu; Chardin Wese Simen

“Asymptotic Theory Of Myopic Loss Aversion: Applications To Intolerance for Decline in Standard Of Living and Asset Pricing”
Presenter: G. Charles Cadogan (University of Cape Town)
Authors: G. Charles Cadogan

	"Asset Pricing with a Realized Volatility Risk" *Presenter:* Jinji Hao (Washington University in St. Louis) *Authors:* Jinji Hao; Jin Zhang **"Non-negative Equity Premium Constraint in Stock Return Prediction, What Is Its Real Value?"** *Presenter:* Xiaming Zeng (Washington University in St. Louis) *Authors:* Siddhartha Chib; Xiaming Zeng
12:30 p.m. – 1:30 p.m.	Lunch
1:30 p.m. – 3:15 p.m.	Parallels 3 Microeconometrics 3 (Chair: Daiqiang Zhang) St. Louis Room **"A Framework for Eliciting, Incorporating, and Disciplining Identifcation Beliefs in Linear Models"** *Presenter:* Francis DiTraglia (University of Pennsylvania) *Authors:* Francis DiTraglia; Camilo Garcia-Jimeno **"Nonparametric Identifcation of a Time-Varying Frailty Model"** *Presenter:* Georgios Effraimidis (University of Southern California) *Authors:* Georgios Effraimidis **"Local Measures of Intergenerational Mobility of Income, Cognitive, and Noncognitive Skills"** *Presenter:* Andros Kourtellos (University of Cyprus) *Authors:* Andros Kourtellos; Christa Marr; Chih Ming Tan **"Identifcation and Estimation of A Dynamic Cost-Based Contract Model, with an Application to Transport Procurement Contracts in France"** *Presenter:* Daiqiang Zhang (Texas A&M

University)
Authors: Yonghong An; Daiqiang Zhang

Theory 3 (Chair: Yoosoon Chang)
Kentucky Room

"Mixture Models with Spatial Dependency"
Presenter: Gary Cornwall (University of Cincinnati)
Authors: Gary Cornwall

"Asymptotics for Estimators dating the Origination and Collapse of an Asset Price Bubble"
Presenter: Mohitosh Kejriwal (Purdue University)
Authors: Mohitosh Kejriwal; Pierre Perron

"A Perturbation Approach to Filtering Hidden States"
Presenter: Natalia Sizova (Rice University)
Authors: Ivana Komunjer; Natalia Sizova

"Regime switching model with endogenous autoregressive latent factor"
Presenter: Yoosoon Chang (Indiana University)
Authors: Yoosoon Chang; Yongok Choi; Joon Park

Macroprudential (Chair: Pavel Kapinos)
Missouri Room

"Early Warning for Financial Stress Events A Credit-Regime Switching Approach"
Presenter: Fuchun Li (Bank of Canada)
Authors: Fuchun Li; Hong Xiao

"PE Ratios and the Risk Taking Channel of Monetary Policy"
Presenter: Eric Olson (West Virginia University)
Authors: Jack Dorminey; Eric Olson; Mark Wohar

	"Does Regulatory Bank Oversight Impact Economic Activity? A Local Projections Approach" *Presenter:* Pavel Kapinos (FDIC) *Authors:* Vivian Hwa; Pavel Kapinos; Carlos Ramirez Real and Financial Linkages (Chair: Paul Jones) Tennessee Room **"Reconsidering the Finance-Growth Nexus A Semiparametric Approach"** *Presenter:* Deniz Baglan (Howard University) *Authors:* Deniz Baglan **"A Reexamination of Stock Returns, Interest Rates, Real Activity, and Inflation: Evidence from a Large Dataset"** *Presenter:* Paul Jones (Pepperdine University) *Authors:* Paul Jones; Eric Olson; Mark Wohar **"The Stock Market and Real Economy A Bayesian Nonparametric Approach"** *Presenter:* Qiao Yang (University of Toronto) *Authors:* Qiao Yang **"Changes in the behaviour of and the relationship between short-term interest rate, inflation and growth: Evidence from the UK, 1820-2014"** *Presenter:* Mark Wohar (University of Nebraska at Omaha) *Authors:* Erdenebat Bataa; Andrew Vivian; Mark Wohar
3:15 p.m. – 3:30 p.m.	Break
3:30 p.m. – 5:15 p.m.	Parallels 4 Treatment Effects (Chair: Ke-Li Xu) St. Louis Room **"Constructing Robust Confidence**

Intervals for Regression Discontinuity Designs with Clustered Sampling"
Presenter: Otavio Camargo-Bartalotti (Iowa State University)
Authors: Quentin Brummet; Otavio Camargo-Bartalotti

"Testing for Rank Invariance or Similarity in Program Evaluation: The effect of Training on Earnings Revisited"
Presenter: Yingying Dong (University of California Irvine)
Authors: Yingying Dong; Shu Shen

"Simple Local Regression Distribution Estimators with an Application to Manipulation Testing"
Presenter: Xinwei Ma (University of Michigan)
Authors: Matias Cattaneo; Michael Jansson; Xinwei Ma

"Regression discontinuity with categorical outcomes"
Presenter: Ke-Li Xu (Texas A&M University)
Authors: Ke-Li Xu

Inference (Chair: Rehim Kilic)
Kentucky Room

"Testing Spatial Regression Models Under Nonregular Conditions"
Presenter: Sheena Yu-Hsien Kao (University of Illinois)
Authors: Anil Bera; Sheena Yu-Hsien Kao

"Bayesian and frequentist tests of sign equality and other non-convex, nonlinear inequalities"
Presenter: David Kaplan (University of Missouri)
Authors: David Kaplan

"Testing Regressor Exogeneity using Many Covariates"
Presenter: Jason Parker (Michigan State

University)
Authors: Chirok Han; Jason Parker; Donggyu Sul

"Robust Inference for Predictability in Smooth Transition Predictive Regressions"
Presenter: Rehim Kilic (US Treasury)
Authors: Rehim Kilic

<u>Macro Shocks (Chair: Molin Zhong)</u>
Missouri Room

"Testing the Fiscal Theory in the Frequency Domain"
Presenter: Fei Tan (Saint Louis University)
Authors: Fei Tan

"Country Shocks, Monetary Policy Expectations and ECB Decisions. A Dynamic Factor Approach"
Presenter: Danilo Leiva-Leon (Central Bank of Chile)
Authors: Maximo Camacho; Danilo Leiva-Leon; Gabriel Perez-Quiros

"The Dynamic Effects of Forward Guidance Shocks"
Presenter: Andrew Smith (Federal Reserve Bank of Kansas City)
Authors: Brent Bundick; Andrew Smith

"A New Approach to Identifying the Real Effects of Uncertainty Shocks"
Presenter: Molin Zhong (University of Pennsylvania)
Authors: Minchul Shin; Molin Zhong

<u>Financial Predictability (Chair: David Rapach)</u>
Tennessee Room

"Driven by Fear The Tail Risk Premium in the Crude Oil Futures Market"
Presenter: Reinhard Ellwanger (European University Institute)
Authors: Reinhard Ellwanger

	"Equity Premium Puzzle in High-Income and Developing Countries: An Empirical Approach with Disasters" *Presenter:* Jaroslav Horvath (The Ohio State University) *Authors:* Jaroslav Horvath **"The role of jumps in volatility spillovers in foreign exchange markets: meteor shower and heat waves revisited"** *Presenter:* Christopher Neely (Federal Reserve Bank of St. Louis) *Authors:* Jerome Lahaye; Christopher Neely **"Industry Interdependencies and Cross-Industry Return Predictability"** *Presenter:* David Rapach (Saint Louis University) *Authors:* David Rapach; Jack Strauss; Jun Tu; Guofu Zhou
5:15 p.m. – 6:15 p.m.	Reception
6:15 p.m.	**"Complete Subset Regressions: Model Averaging with Many Weak Predictors"** Dinner with Guest Speaker Graham Elliott (UCSD)

Saturday, October 10

8:45 a.m. – 10:30 a.m.	Parallels 5 Topics in Micro Data 1 (Chair: Bruce Meyer) St. Louis Room **"The Effect of Minimum Wages on Employment: A Factor Model Approach"** *Presenter:* Evan Totty (Purdue University) *Authors:* Evan Totty **"Trouble in the Tails? Earnings Non-Response and Response Bias across the Distribution"** *Presenter:* Christopher Bollinger

(University of Kentucky)
Authors: Christopher Bollinger; Barry Hirsch; Charles Hokayem; James Ziliak

"Bias from Unit Non-Response in the Measurement of Income in Household Surveys"
Presenter: Bruce Meyer (University of Chicago)
Authors: C. Adam Bee; Graton Gathright; Bruce Meyer

<u>Forecast 1 (Chair: Gray Calhoun)</u>
Kentucky Room

"Simple Robust Tests for the Specification of High-Frequency Predictors of a Low-Frequency Series"
Presenter: J. Isaac Miller (University of Missouri)
Authors: J. Isaac Miller

"Nonlinear Granger Causality Between Exchange Rates and Real Consumption Spending: A Further Development of Cross Validation Causality Analysis"
Presenter: Rick Ashley (Virginia Polytechnic Institute and State University)
Authors: Rick Ashley; Mark Wohar

"Comparing Nested Predictive Regression Models with Persistent Predictors"
Presenter: Tae-Hwy Lee (University of California, Riverside)
Authors: Yan Ge; Tae-Hwy Lee; Michael McCracken

"A simple block bootstrap for asymptotically normal out-of-sample test statistics"
Presenter: Gray Calhoun (Iowa State University)
Authors: Gray Calhoun

<u>Business Cycles (Chair: Daniel Soques)</u>
Missouri Room

"Explaining Volatility of Hours through Labor Demand Differences by Gender"
Presenter: Amy Guisinger (George Washington University)
Authors: Amy Guisinger

"Business Cycle Asymmetries and Slow Recoveries in Labor Markets"
Presenter: Irina Panovska (Lehigh University)
Authors: Irina Panovska

"Regional Banking Shocks and Activity: Evidence from Argentinean Regions."
Presenter: Emiliano Luttini (Banco Central de Chile)
Authors: Emiliano Luttini

"Business Cycles Across Space and Time"
Presenter: Daniel Soques (University of North Carolina, Chapel Hill)
Authors: Neville Francis; Michael Owyang; Daniel Soques

Identification in Games (Chair: Ruli Xiao)
Tennessee Room

"Nonparametric Identification and Estimation of Double Auctions with Bargaining"
Presenter: Huihui Li (Pennsylvania State University)
Authors: Huihui Li; Nianqing Liu

"Nonparametric Identifcation and Testing in First-Price Auctions with Asymmetric Bidders"
Presenter: Zheng Li (Texas A&M University)
Authors: Yonghong An; Zheng Li

"Identifying power of the Nash-assumption in a linear entry game"
Presenter: Peter Toth (University of Texas at Austin)

	Authors: Peter Toth **“Identifcation of Dynamic Games with Multiple Equilibria and Unobserved Heterogeneity”** *Presenter:* Ruli Xiao (Indiana University) *Authors:* Ruli Xiao
10:30 a.m. – 10:45 a.m.	Break
10:45 a.m. – 12:00 p.m.	Parallels 6 Topics in Micro Data 2 (Chair: Marie-Helene Felt) St. Louis Room **“Retail Payment Innovations and Cash Usage Accounting for Attrition Using Refreshment Samples”** *Presenter:* Marie-Helene Felt (Carleton University) *Authors:* Heng Chen; Marie-Helene Felt; Kim Huynh **“Positive Mental Health and its determinants in Urban India”** *Presenter:* Bidisha Chakraborty (Jadavpur University) *Authors:* Bidisha Chakraborty; Piyali Dasgupta; Siddhartha Mitra **“Canadian households' payment habits: 'Partnering up' aggregated household data and individual data”** *Presenter:* Marie-Helene Felt (Carleton University) *Authors:* Marie-Helene Felt Forecast 2 (Chair: Mehmet Pasaogullari) Kentucky Room **“The Role of Inflation Expectations, Core Inflation, and Slack in Real-Time Inflation Forecasting”** *Presenter:* Kundan Kishor (University of Wisconsin-Milwaukee) *Authors:* Kundan Kishor; Evan Koenig **“Nowcasting BRICS+M in Real Time”**

Presenter: Garima Vasishtha (Bank of Canada)
Authors: Tatjana Dahlhaus; Justin-Damien Guenette; Garima Vasishtha

“Forecasts from reduced-form models under the zero lower bound constraint”
Presenter: Mehmet Pasaogullari (Federal Reserve Bank of Cleveland)
Authors: Mehmet Pasaogullari

<u>Volatility (Chair: Todd Prono)</u>
Missouri Room

“Forecasting Crude Oil Price Volatility”
Presenter: Ana Maria Herrera (University of Kentucky)
Authors: Ana Maria Herrera; Liang Hu; Daniel Pastor

“Improving Forecasts from Markov Switching Models using Realized Variance”
Presenter: Jia Liu (McMaster University)
Authors: Jia Liu; John Maheu

“Reconsidering Instrumental Variables Estimators for ARCH Processes”
Presenter: Todd Prono (American University)
Authors: Todd Prono

<u>Quantiles (Chair: Chuan Goh)</u>
Tennessee Room

“Quantile Treatment Effects in Difference in Differences Models with Panel Data”
Presenter: Brantly Callaway (Vanderbilt University)
Authors: Brantly Callaway; Tong Li

“Within-group Estimators for Fixed Effects Quantile Models with Large N and Large T”
Presenter: Heng Chen (Bank of Canada)

	Authors: Heng Chen **"Quantile-Regression Inference With Adaptive Control of Size"** *Presenter:* Chuan Goh (University of Wisconsin-Milwaukee) *Authors:* Juan Carlos Escanciano; Chuan Goh
12:00 p.m. – 1:00 p.m.	Lunch
1:00 p.m. – 2:15 p.m.	Parallels 7 Semiparametrics (Chair: Byoung Park) St. Louis Room **"Semiparametric Estimation and Testing of Smooth Coefficient Spatial Autoregressive Models"** *Presenter:* Emir Malikov (St. Lawrence University) *Authors:* Emir Malikov; Yiguo Sun **"Squre-root-N consistent estimator of the intercept of a sample selection model"** *Presenter:* Byoung Park (SUNY at Albany) *Authors:* Byoung Park Forecast 3 (Chair: Brad Speigner) Kentucky Room **"Real Time Monitoring for Abnormal Events: the Case of Influenza Outbreaks"** *Presenter:* Yao Rao (The University of Liverpool) *Authors:* Brendan McCabe; Yao Rao **"Diffusion Index Forecasts and Factor-Augmented Regressions in Nonstationary Time Series"** *Presenter:* Shulin Shen (Syracuse University) *Authors:* Chihwa Kao; Shulin Shen **"Nonlinear Unemployment Dynamics Disaggregated by Duration"** *Presenter:* Brad Speigner (Bank of

England)
Authors: Brad Speigner

International (Chair: AKM Mahbub Morshed)
Missouri Room

"Reduced Form and Structural Models in Productivity Analysis"
Presenter: Binlei Gong (Rice University)
Authors: Binlei Gong

"Is China's Monetary Policy Constrained by its Foreign Exchange Interventions? A Structural Perspective"
Presenter: Hao Jin (Indiana University Bloomington)
Authors: Hao Jin; Fei Tan

"Unconditional Convergence of Labor Productivity in the Service Sector"
Presenter: AKM Mahbub Morshed (Southern Illinois University Carbondale)
Authors: Bisrat Kinfemichael; AKM Mahbub Morshed

Microeconometrics 4 (Chair: Wei Lin)
Tennessee Room

"Measurement Errors in Quantile Regression Models"
Presenter: Suyong Song (University of Iowa)
Authors: Sergio Firpo; Antonio Galvao; Suyong Song

"Control Function Approach in Two-Step Sieve M-estimation of Binary Response Models with Endogenous Explanatory Variables"
Presenter: Wei Lin (Michigan State University)
Authors: Wei Lin