

## Raziskovalni center Ekonomske fakultete

organizira znanstveno - raziskovalni seminar,  
ki bo v **sredo, 20. Marca 2013, ob 12:00 uri**  
v **P-109** na **Ekonomski fakulteti v Ljubljani**.

Predstavljen bo članek:

# "Structural FECM: Cointegration in large-scale structural FAVAR models"

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(skupaj z: Anindya Banerjee, Banque de France and Department of  
Economics, University of Birmingham; Massimiliano Marcellino,  
European University Institute, Bocconi University and CEPR)*

" In this paper we discuss the implications of dynamic factor models for the analysis of vector error-correction models. Starting from the dynamic factor model for non-stationary data we derive the factor-augmented error correction model (FECM) and, by generalizing the Granger representation theorem to nonstationary dynamic panel, its moving-average representation. The latter is used for discussion identification schemes of structural shocks. Besides discussing contemporaneous restrictions, we show that the structural FECM offers a generalization of classical identification schemes based on long-run restrictions to the case of large panels. The importance of the error-correction mechanism for impulse response analysis is analysed by means of both empirical examples and simulation experiments. Our results show that the bias in estimated impulse responses in a FAVAR model is positively related to the strength of the error-correction mechanism and the cross-section dimension of the panel. We observe empirically in large panel of US data that these features have a significant effect on responses of several variables to the identified real stochastic trend."

Na brezplačni seminar se lahko prijavite v Službi za znanstveno raziskovalno delo, po telefonu (01) 58-92-490 ali po e-pošti [research.seminars@ef.uni-lj.si](mailto:research.seminars@ef.uni-lj.si), do torika, 19.03.2013.

**Vljudno vabljeni!**