JRC Mission

As the science and knowledge service of the European Commission, the Joint Research Centre’s mission is to support EU policies with independent evidence throughout the whole policy cycle.

Big Data and Economic Forecasting Workshop

16-17 May 2019

bigNOMICS Project
Centre for Advanced Studies

The European Commission’s science and knowledge service
Joint Research Centre
Big Data and Economic Forecasting Workshop

1st day: 16 May 2019 (Building 36b, Room 2)

08:30-09:00 Coffee and Welcome Remarks by Jutta Thielen-del Pozo

09:00-09:45 Raffaella Giacomini (University College of London)
Microforecasting Income Processes
Chair: Francesca Campolongo, JRC

09:45-11:30 Session 1: Big Data
Chair: Luca Barbaglia, JRC

Jeff Chen (Bureau of Economic Analysis)
Off to the Races: A Comparison of Machine Learning and Alternative Data for Predicting Economic Indicators

Paolo Fornaro (Research institute of the Finnish Economy)
Nowcasting Finnish Real Economic Activity: a Machine Learning Approach

Marco Pangallo (University of Oxford)
The Potential of Big Housing Data: an Application to the Italian Real-Estate Market

Jesús Sanchez (Banco de España)
Nowcasting Private Consumption: Traditional Indicators, Uncertainty Measures, Credit Cards and Some Internet Data

11:30-11:45 Coffee break

11:45-13:00 Session 2: Big Models
Chair: Elisa Tosetti, JRC

Ines Wilms (Maastricht University)
High Dimensional Forecasting via Interpretable Vector Autoregression

Maxime Leroux (Université du Québec à Montréal)
How is Machine Learning Useful for Macroeconomic Forecasting?

Dimitris Korobilis (University of Essex)
High-Dimensional Macroeconomic Forecasting Using Message Passing Algorithms

13:00-14:00 Lunch (Saletta)

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14:00-16:00 Session 3: Text Analysis
Chair: Sergio Consoli, JRC

Eleni Kalamara (King's College London)
Making Text Count: What Newspaper Can Tell Us About the Economy

Sam Borms (Université de Neuchâtel)
The Sentometrics Approach for Textual Sentiment based Prediction

Andres Azqueta (European Central Bank)
Economic Policy Uncertainty in Europe

Vegard Larsen (Norges Bank)
Business Cycle Narratives

16:00-16:30 Coffee break

16:30-17:15 Eric Ghysels (University of North Carolina at Chapel Hill)
Machine Learning with Mixed Frequency Data
Chair: Marco Ratto, JRC

17:30-19:00 Drinks, and Poster Session (Building 46i, Social Area)

2nd day: 17 May 2019 (Building 36b, Room 2)

09:00-11:00 Session 4: Expectations and Uncertainty
Chair: Luca Tiozzo Pezzoli, JRC

Tatevik Sekphosyan (Texas A&M University)
Monetary Policy Uncertainty: A Tale of Two Tails

Javier Perez (Banco de España)
A New Economic Policy Uncertainty Index for Spain

Gergely Ganics (Banco de España)
BVAR Forecasts, Survey Information and Structural Change in the Euro Area

Simone Manganelli (European Central Bank)
Selecting Models with Judgment

11:00-11:15 Coffee break
Session 5: **Networks and Factor Models in Finance**
Chair: Elisa Ossola, JRC

**Tiziano Squartini (IMT Lucca)**
Detecting Mesoscale Network Structures

**Alberto Caruso (Centro Studi Confindustria)**
Predicting Interest Rates in Real-Time

**Mirco Rubin (University of Bristol)**
Comovement Changes between Stocks and Bonds: Evidence from a New Class of Large Dimensional Threshold Group-Factor Models

**Fabio Trojani (University of Genève and Swiss Finance Institute)**
Smart-SDFs

Lunch (Saletta)

Session 6: **Big Models**
Chair: Lucia Alessi, JRC

**Andreas Joseph (Bank of England)**
Shapley Regressions - a Framework for Statistical Inference on Machine Learning Models

**Alessandro Barbarino (Federal Reserve Board)**
Near-equivalence in Forecasting Accuracy of Linear Dimension Reduction Methods in Large Panels of Macro-variables

**Michele Lenza (European Central Bank)**
Economic Predictions with Big Data: the Illusion of Sparsity

**David Kelley (Chicago Fed)**
On the Network Origins of Approximate Factor Models

Coffee break

**Barbara Rossi (Universitat Pompeu Fabra)**
The Effects of Conventional and Unconventional Monetary Policy: A New Approach
Chair: Sebastiano Manzan, JRC