
Contents

<i>List of contributors</i>	vii
1 Introduction <i>Nigar Hashimzade and Michael A. Thornton</i>	1
2 A review of econometric concepts and methods for empirical macroeconomics <i>Kerry Patterson and Michael A. Thornton</i>	4
PART I PROPERTIES OF MACROECONOMIC DATA	
3 Trends, cycles and structural breaks <i>Terence C. Mills</i>	45
4 Unit roots, non-linearities and structural breaks <i>Niels Haldrup, Robinson Kruse, Timo Teräsvirta and Rasmus T. Varneskov</i>	61
5 Filtering macroeconomic data <i>D.S.G. Pollock</i>	95
PART II MODELS FOR MACROECONOMIC DATA ANALYSIS	
6 Vector autoregressive models <i>Helmut Lütkepohl</i>	139
7 Cointegration and error correction <i>James Davidson</i>	165
8 Estimation and inference in threshold type regime switching models <i>Jesús Gonzalo and Jean-Yves Pitarakis</i>	189
9 Testing structural stability in macroeconometric models <i>Otilia Boldea and Alastair R. Hall</i>	206
10 Dynamic panel data models <i>Badi H. Baltagi</i>	229
11 Factor models <i>Jörg Breitung and In Choi</i>	249
12 Conditional heteroskedasticity in macroeconomics data: UK inflation, output growth and their uncertainties <i>Menelaos Karanasos and Ning Zeng</i>	266
13 Temporal aggregation in macroeconomics <i>Michael A. Thornton and Marcus J. Chambers</i>	289

**PART III ESTIMATION AND EVALUATION FRAMEWORKS IN
MACROECONOMICS**

14	Generalized Method of Moments <i>Alastair R. Hall</i>	313
15	Maximum likelihood estimation of time series models: the Kalman filter and beyond <i>Tommaso Proietti and Alessandra Luati</i>	334
16	Bayesian methods <i>Luc Bauwens and Dimitris Korobilis</i>	363
17	Forecasting in macroeconomics <i>Raffaella Giacomini and Barbara Rossi</i>	381

**PART IV APPLICATIONS I: DYNAMIC STOCHASTIC GENERAL
EQUILIBRIUM MODELS**

18	The science and art of DSGE modelling: I – construction and Bayesian estimation <i>Cristiano Cantore, Vasco J. Gabriel, Paul Levine, Joseph Pearlman and Bo Yang</i>	411
19	The science and art of DSGE modelling: II – model comparisons, model validation, policy analysis and general discussion <i>Cristiano Cantore, Vasco J. Gabriel, Paul Levine, Joseph Pearlman and Bo Yang</i>	441
20	Generalized Method of Moments estimation of DSGE models <i>Francisco J. Ruge-Murcia</i>	464
21	Bayesian estimation of DSGE models <i>Pablo A. Guerrón-Quintana and James M. Nason</i>	486

**PART V APPLICATIONS II: VECTOR AUTOREGRESSIVE
MODELS**

22	Structural vector autoregressions <i>Lutz Kilian</i>	515
23	Vector autoregressive models for macroeconomic policy analysis <i>Soyoung Kim</i>	555

PART VI APPLICATIONS III: CALIBRATION AND SIMULATIONS

24	Calibration and simulation of DSGE models <i>Paul Gomme and Damba Lkhagvasuren</i>	575
25	Simulation and estimation of macroeconomic models in Dynare <i>João Madeira</i>	593

	<i>Index</i>	609
--	--------------	-----