

Macroeconomic analysis

Basic information:

Teacher: Miroslav Hloušek
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Teaching

Time and place: Wednesday, 17:10 – 18:40, computer room VT 2
Info on website: <http://www.econ.muni.cz/~hlousek> link: **MACRO**

About the course:

- Selected topics from macroeconomics – application on data
- Testing and evaluation of economic theories
- Explaining of facts is derived from microeconomic (behavioural) foundations
- The emphasis is on work with empirical data – mostly Czech and U.S. data series
- Using of some basic econometric techniques (Filtration, Ordinary Least Squares method, Correlation)

Selected topics:

Real and nominal exchange rates, Real interest rate, Inflation, Business cycles – stylized facts, Flexibility of economy, Okun's law, Money demand, Growth accounting, Uncovered interest parity ...

Literature:

- Burda, M., Wyploz, C. *Macroeconomics: A European Text*, Oxford: Oxford University Press, 2001, MAK-195
- Williamson: *Macroeconomics*, Addison Wesley, 3ed., 2005, first chapter.
- Pindyck, R. S., Rubinfeld, D. L. *Econometric Models and Economic Forecasts*, Irwin/McGraw-Hill, Fourth edition, 1998, STM-126
- Lecture notes on the website
- Articles – will be specified ...

Software:

Programming language MATLAB (useful software for working with data series)

Exam:

- *Practical part* Open book exam. You can use all your materials (textbooks, notes, programmes). You will process empirical data (on computers) and answer the questions. There will be also some theoretical questions.
- *Oral part* Not necessary. Only if the practical part is uncertain.

Preliminary schedule:

1. Introduction to MATLAB
2. Basic work with time series: (effective nominal exchange rate, real exchange rate, inflation, real interest rate)
3. Stationarity of time series, filtration, demand and supply shocks
4. Stylized facts about business cycles
5. Ordinary least squares method, gap of GDP, simulation of AR(1) process, flexibility of economy
6. Money demand (error correction method)
7. Okun's law
8. Growth accounting
9. Macroeconomic model (VAR model)
10. Uncovered interest parity condition (disparity)