

# ANNUAL REPORT

Centre for Applied Macro- and Petroleum  
economics (CAMP)

2016

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**BI**

# CAMP – Centre for Applied Macro- and Petroleum economics

The Centre for Applied Macro- and Petroleum economics (CAMP) brings together economists working on applied macroeconomic issues, with special emphasis on petroleum economics. The research activities at CAMP are broad and encompass all elements pertaining to the analysis of petroleum economics, macroeconomics and finance.

Highlights from 2016:

- Two workshops organized in Oslo
- Nine Working papers
- Eight forthcoming and three published papers in international peer-reviewed journals
- Signed new contract with Statoil

**Hilde C. Bjørnland**  
Director



## BI and Statoil Research Partnership

Statoil has chosen BI as its partner in a 5-year research collaboration that will contribute to the establishment of a National Research School in petroleum economics. The purpose of the program is to develop new academic research capacity in the economics of resource management and financial wealth based on petroleum – using the Norwegian experience over the last four decades as a starting point – and focus on Norwegian challenges for the coming decades.

Professor Hilde C. Bjørnland in the Department of Economics at BI Norwegian Business School heads the research program. The new partnership will finance doctorate theses, doctorate degree courses, tutoring and other research activities modelled after the Research Council of Norway's template for national research schools. The program has been allocated to the Centre for Applied Macro- and Petroleum economics (CAMP).

# CAMP Network

## Research Associates

<b>Hilde C. Bjørnland</b>	<i>Director and Professor</i>	BI Norwegian Business School
<b>Jørgen Juel Andersen</b>	<i>Associate Professor</i>	BI Norwegian Business School
<b>Fabio Canova</b>	<i>Professor</i>	BI Norwegian Business School
<b>Junior Maih</b>	<i>Associate Professor II</i>	Norges Bank
<b>Tommy Sveen</b>	<i>Professor</i>	BI Norwegian Business School
<b>Leif Anders Thorsrud</b>	<i>Associate Professor II</i>	Norges Bank
<b>Ragnar Torvik</b>	<i>Professor II</i>	NTNU
<b>Yoosoon Chang</b>	<i>Visiting Professor</i>	Indiana University
<b>Francesco Ravazzolo</b>	<i>Visiting Professor</i>	Free University of Bozen/Bolzano

## Doctoral Student Associates

<b>Thomas Størdal Gundersen</b>	<i>PhD candidate</i>	BI Norwegian Business School
<b>Even Comfort Hvinden</b>	<i>PhD candidate</i>	BI Norwegian Business School
<b>Vegard Høggaug Larsen</b>	<i>PhD Candidate</i>	BI Norwegian Business School
<b>Frode Martin Nordvik</b>	<i>PhD Candidate</i>	BI Norwegian Business School
<b>Camilla Nore</b>	<i>PhD candidate</i>	BI Norwegian Business School
<b>Espen Skretting</b>	<i>PhD Candidate</i>	BI Norwegian Business School
<b>Sepideh Khayati Zahiri</b>	<i>PhD Candidate</i>	BI Norwegian Business School
<b>Julia Zhulanova</b>	<i>PhD Candidate</i>	BI Norwegian Business School

## Visiting Scholars

<b>Knut Are Aastveit</b>	<i>Senior Advisor</i>	Norges Bank
<b>Ron Alquist</b>	<i>Assistant Chief</i>	Bank of Canada
<b>Christiane Baumeister</b>	<i>Senior Analyst</i>	Bank of Canada
<b>Drago Bergholt</b>	<i>Economist</i>	Norges Bank
<b>Marcelle Chauvet</b>	<i>Professor</i>	University of California, Riverside
<b>Vesna Corbo</b>	<i>Researcher</i>	Sveriges Riksbank
<b>Mardi Dungey</b>	<i>Professor</i>	University of Tasmania
<b>James Hamilton</b>	<i>Professor</i>	University of California
<b>Ana Maria Herrera</b>	<i>Professor</i>	University of Kentucky
<b>Dennis Karstanje</b>	<i>PhD Candidate</i>	Erasmus University Rotterdam
<b>Lutz Kilian</b>	<i>Professor</i>	University of Michigan
<b>Douglas Laxton</b>	<i>Research Director</i>	International Monetary Fund
<b>Lavan Mahadeva</b>	<i>Senior Research Fellow</i>	University of Oxford
<b>Renée Fry-McKibbin</b>	<i>Professor</i>	Australian National University
<b>Warwick McKibbin</b>	<i>Professor</i>	Australian National University
<b>Galo Nuno</b>	<i>Economist</i>	European Central Bank
<b>Michael Plante</b>	<i>Senior Researcher</i>	Federal Reserve Bank of Dallas
<b>Philip Rothman</b>	<i>Professor</i>	East Carolina University
<b>Kenneth Singleton</b>	<i>Professor</i>	Stanford University
<b>Mike West</b>	<i>Professor</i>	Duke University
<b>Sam Wills</b>	<i>PhD Candidate</i>	University of Oxford
<b>Benjamin Wong</b>	<i>PhD Candidate</i>	Australian National University
<b>Jing Cynthia Wu</b>	<i>Associate Professor</i>	University of Chicago

## Working Papers

CAMP published nine working papers during 2015. These are listed below:

<b>Issue</b>	<b>Title</b>	<b>Authors</b>
<b>1/2016</b>	<i>Approximating time-varying structural models with time-invariant structures.</i>	Fabio Canova Filippo Ferroni Christian Matthes
<b>2/2016</b>	<i>Are Small-Scale SVARs Useful for Business Cycle Analysis? Revisiting Non-Fundamentalness</i>	Fabio Canova Mehdi Hamidi Sahneh
<b>3/2016</b>	<i>Implementing the Zero Lower Bound in an Estimated Regime-Switching DSGE Model</i>	Andrew Binning Junior Maih
<b>4/2016</b>	<i>Words are the new numbers: A newsy coincident index of business cycles</i>	Leif Anders Thorsrud
<b>5/2015</b>	<i>Joint Prediction Bands for Macroeconomic Risk Management</i>	Farooq Akram Andrew Binning Junior Maih
<b>6/2016</b>	<i>Nowcasting using news topics Big Data versus big bank</i>	Leif Anders Thorsrud
<b>7/2016</b>	<i>Commodity Futures and Forecasting Commodity Currencies</i>	Francesco Ravazzolo Tommy Sveen Sepideh K. Zahiri
<b>8/2016</b>	<i>Do central banks respond timely to developments in the global economy?</i>	Hilde C. Bjørnland Leif Anders Thorsrud Sepideh Khayati Zahiri
<b>9/2016</b>	<i>Mending the broken link: heterogeneous bank lending and monetary policy pass-through</i>	Carlo Altavilla Fabio Canova Matteo Ciccarelli

## PhD Exchange

- Espen Skretting: Pennsylvania State University, Philadelphia, May.

# Workshops

CAMP organized the following workshops and session at international conferences during 2016:

Date	Title and Description
<b>3 May</b> <b>BI Norwegian</b> <b>Business School</b>	<p data-bbox="496 427 1098 456"><u><a href="#">Commodities, business cycles and monetary policy</a></u></p> <p data-bbox="496 499 632 528"><u>Organized by:</u></p> <ul data-bbox="544 528 1110 557" style="list-style-type: none"><li data-bbox="544 528 1110 557">• Centre for Applied Macro- and Petroleum Economics</li></ul> <p data-bbox="496 589 751 618"><u>Speakers and discussants:</u></p> <ul data-bbox="544 618 1046 1070" style="list-style-type: none"><li data-bbox="544 618 735 647">• Claudia Foroni</li><li data-bbox="544 647 743 676">• Drago Bergholt</li><li data-bbox="544 676 724 705">• Fabio Canova</li><li data-bbox="544 705 943 734">• Francesco Furlanetto (Norges Bank)</li><li data-bbox="544 734 804 763">• Frode Martin Nordvik</li><li data-bbox="544 763 855 792">• Gernot Doppelhofer (NHH)</li><li data-bbox="544 792 1046 822">• Hilde C. Bjørnland (CAMP-BI and Norges Bank)</li><li data-bbox="544 822 986 851">• Junior Maih (Norges Bank and CAMP-BI)</li><li data-bbox="544 851 759 880">• Klaus Mohn (UiS)</li><li data-bbox="544 880 906 909">• Knut Are Aastveit (Norges Bank)</li><li data-bbox="544 909 796 938">• Leif Anders Thorsrud</li><li data-bbox="544 938 812 967">• Maximilian Rohrer (BI)</li><li data-bbox="544 967 759 996">• Robert Vigfusson</li><li data-bbox="544 996 746 1025">• Torfinn Harding</li><li data-bbox="544 1025 1010 1055">• Vegard Larsen (CAMP-BI and Norges Bank)</li></ul>
<b>19 October</b> <b>BI Norwegian</b> <b>Business School</b>	<p data-bbox="496 1115 895 1144"><u><a href="#">Mork-utvalgets rapport</a></u> - seminar</p> <p data-bbox="496 1187 632 1216"><u>Organized by:</u></p> <ul data-bbox="544 1216 1110 1308" style="list-style-type: none"><li data-bbox="544 1216 1110 1245">• Centre for Applied Macro- and Petroleum Economics</li><li data-bbox="544 1245 919 1274">• Centre for Asset Pricing Research</li><li data-bbox="544 1274 906 1303">• Centre for Monetary Economics</li></ul> <p data-bbox="496 1348 751 1377"><u>Speakers and discussants:</u></p> <ul data-bbox="544 1377 767 1525" style="list-style-type: none"><li data-bbox="544 1377 727 1406">• <u>Bruno Gerard</u></li><li data-bbox="544 1406 756 1435">• Espen Henriksen</li><li data-bbox="544 1435 767 1464">• <u>Hilde C. Bjørnland</u></li><li data-bbox="544 1464 762 1494">• <u>Knut Anton Mork</u></li><li data-bbox="544 1494 730 1523">• Tommy Sveen</li></ul>

# Papers Presented at International Conferences

Papers presented on related CAMP topics involving PhDs:

<b>Date</b>	<b>Conference</b>	<b>Presenters</b>
<b>January</b>	Annual meeting of Norwegian Association of Economists, Trondheim, Norway	Vegard H. Larsen Frode Martin Nordvik Leif Anders Thorsrud
<b>March</b>	Symposium of the Society for Nonlinear Dynamics and Econometrics, Tuscaloosa, USA	Vegard H. Larsen Hilde C. Bjørnland
<b>April</b>	Workshop and talks at Sungkyunkwan University, Korea-Development-Institute, KEPCO and KPX, 19-25 April 2016, Korea.	Hilde C. Bjørnland
<b>April</b>	"Oil, Middle East, and the Global Economy", University of Southern California.	Frode Martin Nordvik
<b>June</b>	Computing in Economics and Finance (CEF 2016), Bordeaux, France	Hilde C. Bjørnland Vegard H. Larsen
<b>June</b>	International Association for Applied Econometrics (IAAE 2016), Milano, Italy	Vegard H. Larsen
<b>June</b>	North American Summer Meeting of the Econometric Society, June 16 - 19, Philadelphia, USA	Vegard H. Larsen
<b>June</b>	International Association for Energy Economics International Conference, NHH, Bergen, Norway.	Frode Martin Nordvik
<b>August</b>	69th European Meeting of the Econometric Society, Geneva, Switzerland.	Frode Martin Nordvik Sepideh Zahiri
<b>October</b>	Samfunnsøkonomenes høstkonferanse, Oslo, Norway.	Hilde C. Bjørnland
<b>December</b>	The 10th International Conference on Computational and Financial Econometrics (CFE 2016), Seville, Spain.	Hilde C. Bjørnland Leif Anders Thorsrud Vegard H. Larsen

## Forthcoming Publications in International Journals Related to the Activities at Camp

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Aastveit, K. A., Foroni, C., & Ravazzolo, F.: Density Forecasts with MIDAS Models, Forthcoming in *Journal of Applied Econometrics*.

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Andersen J. J., Johannesen N, Lassen D. D., & Paltseva E.: Petro Rents, Political Institutions, and Hidden Wealth: Evidence from Offshore Bank Accounts, Forthcoming in *Journal of the European Economic Association*.

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Bjørnland H. C., Ravazzolo, F., & Thorsrud, L. A.: Forecasting GDP with global components. This time is different, Forthcoming in *International Journal of Forecasting*.

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Bjørnland H. C., & Thorsrud, L. A.: Boom or gloom? Examining the Dutch disease in two-speed economies, Forthcoming in *Economic Journal*.

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Kruger F., Clark, T. E., & Ravazzolo, F.: Using Entropic Tilting to Combine BVAR Forecasts with External Nowcasts, Forthcoming in *Journal of Business & Economic Statistics*.

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Lombardi, M. J., & Ravazzolo, F.: Oil price density forecasts: "Exploring the linkages with stock markets", Forthcoming in *Journal of Commodity Markets*.

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Ravazzolo, F. & Rothman, P.: Oil-Price Density Forecasts of U.S. GDP, Forthcoming in *Studies of Nonlinear Dynamics and Econometrics*.

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Robinson, J. A., Torvik, R., & Verdier, T.: The political economy of public income volatility: with an application to the resource curse, Forthcoming in *Journal of Public Economics*.

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## Publications in International Journals in 2016 Related to the Activities at Camp

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Aastveit, K. A., Bjørnland, H. C., & Thorsrud, L. A. (2016). The world is not enough! Small open economies and regional dependence, *Scandinavian Journal of Economics*, vol. 118(1), 2016, 168-195.

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Matsen, E., Natvik, G. J., & Torvik, R. (2016). Petro populism. *Journal of Development Economics*. vol. 118.

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Mehlum, H., Torvik, R. & Valente, S. (2016). The Savings Multiplier. *Journal of Monetary Economics*. vol. 83.

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# CAMP in the Media

Selected media appearances by CAMP associates (mostly in Norwegian):

Date	Media	Involves
16 April	Samfunnsøkonomien, gjestekommentar Forskningsnytt: «Ringvirkninger i råvareproduserende land»	Hilde C. Bjørnland Leif Anders Thorsrud.
2 May	DN: Nedturen er ikke over  <a href="https://web.retriever-info.com/go/?p=142882&amp;a=40823&amp;sa=2015081&amp;x=9a45ffa7220677df2334fdc2c5c5273b&amp;d=0200052016050232bdf40dfd65364e86f09fab69f371dc&amp;s=20005">https://web.retriever-info.com/go/?p=142882&amp;a=40823&amp;sa=2015081&amp;x=9a45ffa7220677df2334fdc2c5c5273b&amp;d=0200052016050232bdf40dfd65364e86f09fab69f371dc&amp;s=20005</a>	Hilde C. Bjørnland
19 September	Glem å prøve å finne «den nye oljen»  <a href="http://www.aftenposten.no/okonomi/--Glem-a-prove-a-finne-den-nye-oljen-604681b.html">http://www.aftenposten.no/okonomi/--Glem-a-prove-a-finne-den-nye-oljen-604681b.html</a>	Hilde C. Bjørnland
13 October	DN: Hvor blir det av oppturen  <a href="https://web.retriever-info.com/go/?p=142882&amp;x=16a880679bfe2d06462ae611c433b664&amp;d=02000520161013edcc918f8d1df058a7bc05acd57733dc&amp;a=35627&amp;sa=2015081&amp;s=20005">https://web.retriever-info.com/go/?p=142882&amp;x=16a880679bfe2d06462ae611c433b664&amp;d=02000520161013edcc918f8d1df058a7bc05acd57733dc&amp;a=35627&amp;sa=2015081&amp;s=20005</a>	Hilde C. Bjørnland
18 October	Varden: Får aksjeråd for oljefondet  <a href="https://web.retriever-info.com/go/?a=35627&amp;x=f1513b53fb312dcd6d2042b59d10cfa6&amp;sa=2015081&amp;d=0200242016101848850814&amp;s=20024&amp;p=142882">https://web.retriever-info.com/go/?a=35627&amp;x=f1513b53fb312dcd6d2042b59d10cfa6&amp;sa=2015081&amp;d=0200242016101848850814&amp;s=20024&amp;p=142882</a>	Hilde C. Bjørnland
19 October	Dagsavisen: Flere oljepenger bør plasseres i aksjer, mener utvalg  <a href="https://web.retriever-info.com/go/?d=055006201610194e7cd4e3d91ae1962561e5bd97fe882c&amp;sa=2015081&amp;a=35627&amp;p=142882&amp;s=55006&amp;x=87e90b45b14ca9e9a76e325636415817">https://web.retriever-info.com/go/?d=055006201610194e7cd4e3d91ae1962561e5bd97fe882c&amp;sa=2015081&amp;a=35627&amp;p=142882&amp;s=55006&amp;x=87e90b45b14ca9e9a76e325636415817</a>	Hilde C. Bjørnland
20 October	Finansavisen: Foreslår kjøp og salg for en halv billion  <a href="https://web.retriever-info.com/go/?x=46ccd72feec600b845d9ab9019307eff&amp;d=02012220161020ef957d6adb932c1ac26b0d922f208ca6&amp;a=35627&amp;sa=2015081&amp;s=20122&amp;p=142882">https://web.retriever-info.com/go/?x=46ccd72feec600b845d9ab9019307eff&amp;d=02012220161020ef957d6adb932c1ac26b0d922f208ca6&amp;a=35627&amp;sa=2015081&amp;s=20122&amp;p=142882</a>	Hilde C. Bjørnland
23 December	Finansavisen: Omtale av forskning og intervju «For nærsynte sentralbanker»  <a href="https://web.retriever-info.com/go/?x=df764ef8ad942c65d134e1bb9e7ed466&amp;d=02012220161223ea0e707ec662ba61c13d3497b576b597&amp;a=35627&amp;s=20122&amp;p=142882&amp;sa=2015081">https://web.retriever-info.com/go/?x=df764ef8ad942c65d134e1bb9e7ed466&amp;d=02012220161223ea0e707ec662ba61c13d3497b576b597&amp;a=35627&amp;s=20122&amp;p=142882&amp;sa=2015081</a>	Hilde C. Bjørnland



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**30 December** E24: Ny virkelighet for oljepengebruken i 2017.

Hilde C. Bjørnland

<http://e24.no/makro-og-politikk/oljefondet/politikerne-roper-varsku-ny-virkelighet-for-oljepengebruken-i-2017/23881451>

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