

2020

ANNUAL REPORT

**Centre for Applied Macroeconomics and
Commodity Prices (CAMP)**

BI

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Centre for Applied Macroeconomics and Commodity Prices

Centre for Applied Macroeconomics and Commodity Prices (CAMP) brings together economists working on applied macroeconomic issues, with special emphasis on energy economics. The research activities at CAMP are broad and encompass all elements pertaining to the analysis of energy economics, macroeconomics and commodity prices. The Centre was founded and directed by Professor Hilde C. Bjørnland in 2012, and is now under direction of Manager and Associate Professor Leif Anders Thorsrud, Director and Professor Hilde C. Bjørnland and Deputy Director and Adjunct Professor Ragnar Torvik.

Funding

CAMP has received funding from Equinor, the Research Council of Norway and the Finance Market Fund. These are non-exclusive relationships, and CAMP welcomes support from other sources. Our research is independent of positions taken by any funders.

Equinor's Research program in Petroleum and Energy Economics:

- Equinor has renewed their research collaboration with CAMP at BI related to energy economics. The program was established in 2012 and renewed for a five-year period in 2017.
- The purpose of the program is to develop new academic research capacity in the economics of resource management and financial wealth based on petroleum and energy. The academic program is based on the Norwegian experience over the last four decades, and it has a focus on Norwegian challenges for the coming decades.

The Resource Council of Norway:

- 2017 The Resource Council of Norway (NFR) has awarded gift-strengthening support for CAMP.
- 2020 NFR awarded CAMP with funding for the research project “The Corona-crisis, structural change, and macroeconomic policy”. This project analyses economic crisis and structural change through unique data sources, alternative methodological approaches and new economic theories.



Leif Anders Thorsrud - Manager, Hilde C. Bjørnland – Director, Ragnar Torvik – Deputy Director

Highlights from 2020

- NFR awarded CAMP with funding for the research project "The Corona-crisis, structural change, and macroeconomic policy"
- 12 working papers
- 14 published or forthcoming papers in international Journals
- CAMP established a blog (www.bicamp.wordpress.com) in 2018. We have continued to develop the blog further, and we have published 30 blog posts on working papers and the FNI index in 2020. Due to Covid-19, we published extraordinary FNI updates and blog posts on our nowcasting of the Norwegian economy.
- CAMP Director Hilde C. Bjørnland and CAMP Deputy Director Ragnar Torvik are part of the Norwegian Government's extended group for evaluating economic effects of infection prevention related to Covid-19.
- CAMP Director Hilde C. Bjørnland has been part of a Norwegian commission to examine policies for a swifter transition and reduced risk (Klimaomstillingsutvalget). An English summary of the report can be found [here](#).
- CAMP Director Hilde C. Bjørnland is Associate Editor for Energy Economics Special issue: "New Developments in the Econometric Analysis of Energy and Climate", together with J. Isaac Miller and Yoosoon Chang.
- Due to Covid-19, our planned conference on Energy and Climate in August 2020 was postponed, but we will organize it as soon as the situation allows it, and we will keep you updated.

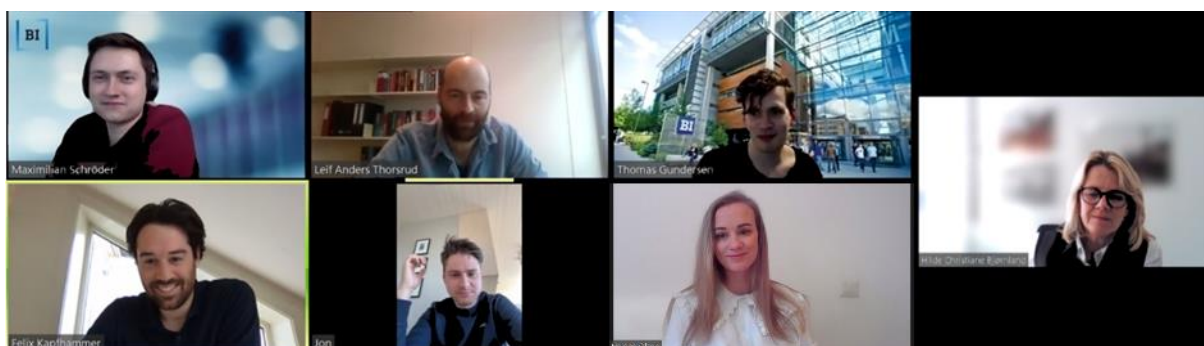


Figure 1: To maintain some social contact, the CAMP network has had weekly online lunches to discuss research and everyday life

CAMP Network

Research Associates

Hilde C. Bjørnland	<i>Director, Professor & Provost</i>	BI Norwegian Business School
Fabio Canova	<i>Professor</i>	BI Norwegian Business School
Vegard Høghaug Larsen	<i>Researcher II</i>	Norges Bank
Tommy Sveen	<i>Professor</i>	BI Norwegian Business School
Leif Anders Thorsrud	<i>Manager, Associate Professor</i>	BI Norwegian Business School
Ragnar Torvik	<i>Deputy Director & Adjunct Professor</i>	NTNU
Knut Are Aastveit	<i>Researcher II</i>	Norges Bank
Jamie Cross	<i>Postdoctoral Fellow</i>	BI Norwegian Business School
Francesco Ravazzolo	<i>Adjunct Professor</i>	Free University of Bozen

Doctoral Student Associates

Thomas Størdal Gundersen	<i>PhD Candidate</i>	BI Norwegian Business School
Even Comfort Hvinden	<i>PhD Candidate</i>	BI Norwegian Business School
Camilla Nore	<i>PhD Candidate</i>	BI Norwegian Business School
Espen Skretting	<i>PhD Candidate</i>	BI Norwegian Business School
Julia Zhulanova	<i>PhD Candidate</i>	BI Norwegian Business School
Isabel Hovdahl	<i>Visiting PhD Candidate</i>	NTNU
Felix Kapfhammer	<i>PhD Candidate</i>	BI Norwegian Business School
Jon Ellingsen	<i>PhD Candidate</i>	BI Norwegian Business School
Maximilian Schröder	<i>PhD Candidate</i>	BI Norwegian Business School

Visiting Scholars

Christiane Baumeister	<i>Senior Analyst</i>	Bank of Canada
Drago Bergholt	<i>Researcher</i>	Norges Bank
Yoonsoo Chang	<i>Professor</i>	Indiana University
Marcelle Chauvet	<i>Professor</i>	University of California, Riverside
James Hamilton	<i>Professor</i>	University California San Diego
Ana Maria Herrera	<i>Professor</i>	University of Kentucky
Renée Fry-McKibbin	<i>Professor</i>	Australian National University
Warwick McKibbin	<i>Professor</i>	Australian National University
Douglas Laxton	<i>Research Director</i>	International Monetary Fund
Junior Maih	<i>Senior Advisor</i>	Norges Bank
Galo Nuno	<i>Economist</i>	European Central Bank
Joon Y. Park	<i>Professor</i>	Indiana University
Michael Plante	<i>Senior Researcher</i>	Federal Reserve Bank of Dallas
Philip Rothman	<i>Professor</i>	East Carolina University
Kenneth Singleton	<i>Professor</i>	Stanford University
Joaquin Vespignani	<i>Associate Professor</i>	University of Tasmania
Mike West	<i>Professor</i>	Duke University
Benjamin Wong	<i>Senior Lecturer</i>	Monash University
Jing Cynthia Wu	<i>Associate Professor</i>	University of Chicago

Working Papers

Issue	Title	Authors
1/2020	Deadly Variation: The Effect of Temperature Variability on Mortality	Isabel Hovdahl
2/2020	The Impact of Monetary Policy on Leading Variables for Financial Stability in Norway	Helene Olsen Harald Wieslander
3/2020	Inflation expectations and the pass-through of oil prices	Knut Are Aastveit Hilde C. Bjørnland Jamie L. Cross
4/2020	Macroeconomics in the time of the Corona	Halvor Mehlum Ragnar Torvik
5/2020	Large Time-Varying Volatility Models for Electricity Prices	Angelica Gianfreda Francesco Ravazzolo Luca Rossini
6/2020	Proper scoring rules for evaluating asymmetry in density forecasting	Matteo Iacopini Francesco Ravazzolo Luca Rossini
7/2020	Behavioral changes and policy effects during Covid-19	André Kallåk Anundsen Bjørnar Karlsen Kivedal Erling Røed Larsen Leif Anders Thorsrud
8/2020	News media vs. FRED-MD for macroeconomic forecasting	Jon Ellingsen Vegard H. Larsen Leif Anders Thorsrud
9/2020	Time-Varying Trend Models for Forecasting Inflation in Australia	Jamie Cross Bo Zhang Na Guo
10/2020	Climate Risk and Commodity Currencies	Felix Kapfhammer Vegard H. Larsen Leif Anders Thorsrud
11/2020	Oil and Fiscal Policy Regimes	Hilde C. Bjørnland Roberto Casarin Marco Lorusso Francesco Ravazzolo
12/2020	Do Central Banks Respond to Exchange Rate Movements? A Markov-Switching Structural Investigation of Commodity Exporters and Importers	Ragna Alstadheim Hilde C. Bjørnland Junior Maih

Publications in International Journals

Publications 2020

Gundersen, T. S.(2020), The Impact of U.S.Supply Shocks on the Global Oil Price. *The Energy Journal*, 2020, Vol.41

Mehlum, H., Torvik, R. and Valente, S. (2020), Growth with Age-Dependent Preferences. *Journal of International Trade & Economic Development*, 2020

Bjørnland, H. C., Thorsrud, L. A. and Zahiri, S. K. (2020), Do central banks respond timely to developments in the global economy? *Oxford Bulletin of Economics and Statistics*, 2020, 82: pp. 285-310.

Canova, F., Ferroni, F. and Matthes, C. (2020), Detecting and Analyzing the Effects of Time-Varying Parameters in DSGE Models. *International Economic Review*, Vol.61, No.1, February 2020

Ravazzolo, F. and Vespignani, J. L. (2020), World steel production: A new monthly indicator of global real economic activity. *Canadian Journal of Economics /Revue Canadienne d'économique*, 53:743-766. doi:10.1111/caje.12442

Altavilla, C., Canova, F. and Ciccarelli, M. (2020), Mending the broken link: heterogeneous bank lending and monetary policy pass-through. *Journal of Monetary Economics*, Volume 110, April 2020, Pages 81-98

Cross, J. L., Hou, C. and Poon, A. (2020), Macroeconomic Forecasting with Large Bayesian VARs: Global-local priors and the Illusion of Sparsity. *International Journal of Forecasting*, Volume 36, Issue 3, July-September 2020, Pages899-915

Larsen, V. H., Thorsrud, L. A. and Zhulanova, J. (2020), News-driven inflation expectations and information rigidities. *Journal of Monetary Economics*,2020, <https://doi.org/10.1016/j.jmoneco.2020.03.004>

Larsen, V. H., Components of uncertainty. *International Economic Review*,2020, online: <https://doi.org/10.1111/iere.12499>

Torvik, R. Formal Institutions and Development in Low-Income Countries: Positive and Normative Theory, (2020), in Jean-Marie Baland, Francois Bourguignon, Jean-Philippe Platteau and Thierry Verdier (eds.), 2020, *The Handbook of Economic Development and Institutions*, Princeton University Press

Forthcoming

Alstadheim, R., Bjørnland, H. C. and Maih, J. Do Central Banks Respond to Exchange Rate Movements? A Markov-Switching Structural Investigation of Commodity Exporters and Importers. Forthcoming in the special issue of Energy Economics on "Energy & Climate Econometrics"

Canova, F. and Matthes, C. Dealing with misspecification in macroeconomic models. Forthcoming in Quantative Economics

Canova, F. and Matthes, C. A composite likelihood approach for dynamic structural models. Forthcoming in Economic Journal

Bjørnland, H. C., Nordvik, F. M. and Rohrer, M. Supply Flexibility in the Shale Patch: Evidence from North Dakota. Forthcoming in Journal of Applied Econometrics

Camp in the media – Webinars/podcast

The Covid-19 pandemic has limited onsite activities, but the CAMP network has gained experience in being present online, and these are some of the events CAMP researchers have participated in.

Date	Podcast	Involves
17.04	<u>#PolyPod: Økonomiske konsekvenser av COVID-19 pandemien</u>	<i>Covid-19</i> Hilde C. Bjørnland
19.05	<u>Webinar: Launch COVID-19 and the macroeconomy research program</u>	<i>Covid-19</i> Warwick McKibbin Renee Fry-McKibbin Francesco Ravazzolo
04.06	<u>Webinar: COVID-19 and policy choices</u>	<i>Covid-19</i> Hilde C. Bjørnland

CAMP in the Media – Op-eds and online

Op-eds and selected media appearances by CAMP associates (most are in Norwegian).

Date	Media	Involves
08.01	<i>Tid for omstilling</i> (Dagens Næringsliv)	<i>Petroleum</i> Hilde C. Bjørnland
26.02	<i>Det verste er foran oss</i> (Dagens Næringsliv)	<i>Covid-19</i> Hilde C. Bjørnland
05.03	<i>Bråstup for norsk vekst</i> (Finansavisen)	<i>Covid-19, FNI index</i> Hilde C. Bjørnland
26.03	<i>FNI viser nøyaktig samme stup som under finanskrisen</i> (Finansavisen)	<i>Covid-19, FNI index</i> Hilde C. Bjørnland
26.03	<i>Det hjelper norsk økonomi lite om vi «åpner Norge» igjen nå</i> (Dagens Næringsliv)	<i>Covid-19</i> Hilde C. Bjørnland
02.04	<i>Coronavirus leaves wealthy Norway facing tough spending choices</i> (Financial Times)	<i>Covid-19</i> Hilde C. Bjørnland
02.04	<i>Nytt bratt fall i Financial News Index</i> (Finansavisen)	<i>Covid-19</i> Leif Anders Thorsrud
05.04	<i>Professor Hilde C. Bjørnland er mer bekymret enn hun var i 2014: – Tiden som annerledeslandet er nok over</i> (Dagens Næringsliv)	<i>Covid-19, Petroleum</i> Hilde C. Bjørnland
15.04	<i>Vi må forberede oss på den nye normalen</i> (Dagens Næringsliv)	<i>Covid-19</i> Hilde C. Bjørnland
15.04	<i>How Bad Will European Economies Get? Key Challenges For Each Country</i> (Forbes)	<i>Covid-19</i> Leif Anders Thorsrud
16.04	<i>Må forberede oss på den nye normalen</i> (Dagens Næringsliv)	<i>Covid-19</i> Hilde C. Bjørnland
30.04	<i>Corona-bunnen nærmer seg</i> (Finansavisen)	<i>FNI index</i> Hilde C. Bjørnland
14.05	<i>Etterspørsel og tilbud i koronaens tid</i> (Samfunnsøkonomene)	<i>Covid-19</i> Ragnar Torvik
03.06	<i>Oppgangen kan ta tid denne gangen</i> (Dagens Næringsliv)	<i>Petroleum, Covid-19</i> Hilde C. Bjørnland
23.07	<i>Arbeid etter pandemien</i> (Dagens Næringsliv)	<i>Covid-19</i> Hilde C. Bjørnland
24.09	<i>Den andre bølgen</i> (Dagens Næringsliv)	<i>Covid-19</i> Hilde C. Bjørnland
01.10	<i>Climate Change and Transition Risk for Commodity Currencies</i> (DowJones)	<i>Commodity currencies</i> CAMP
01.10	<i>After Shocking Events, News Signals an Effective Macro-Forecasting Tool</i> (DowJones)	<i>News Media vs. FRED-MD for Macroeconomic Forecasting</i>
29.10	<i>Pandemien vil gi varige endringer – politikerne må tilrettelegge for det nå</i> (Dagens Næringsliv)	<i>Covid-19</i> Hilde C. Bjørnland

08.12	<u><i>Narrative monetary policy surprises and the media: How central banks reach the general public</i></u> (VoxEU)	<i>News media</i> Saskia Ter Ellen Vegard H. Larsen Leif Anders Thorsrud
17.12	<u><i>Koronahjelp til klimakampen</i></u> (Dagens Næringsliv)	<i>Covid-19, Climate</i> Hilde C. Bjørnland
22.12	<u><i>Innlegg: Klimarisiko gir svakere kronekurs</i></u> (Dagens Næringsliv)	<i>Climate risk, NOK</i> Leif AndersThorsrud

Financial News Index


The Financial News Index (FNI) was established by CAMP and Retriever in 2017. The index is designed to track Norwegian GDP growth and the business cycle at high frequency. Its underlying indicators are daily time series representing how much the media writes about various topics. In 2020, we have published 6 extraordinary FNI updates in line with the pace of the business cycle during Covid-19. If you want to read more about our FNI updates in 2020, please visit our [blog](#).



The figure graphs the Financial News Index (FNI) with 68 percent confidence bands. The blue solid line demeaned quarterly GDP growth Mainland Norway, sourced from Statistics Norway (SSB). Please use the citation “FNI – Retriever/CAMP_BI” when using the index.

CAMP blog

CAMP has established a blog: <https://bicamp.wordpress.com/>. The purpose of the blog is to convey news and research on a less formal platform than the website. So far, we have written about new working papers and updates of the FNI index. In the future, we aim to write about CAMPs take on current topics. We invite our network to contribute with posts.



CENTRE FOR APPLIED MACROECONOMICS AND COMMODITY PRICES (CAMP)

WELCOME!

ON 20. OCT 2018 / BY CAMPBI / EDIT

Welcome to the CAMP blog. Here you will find announcements about all the latest research from the Centre for Applied Macroeconomics and Commodity Prices (CAMP), and our take on current topics.

Related

Multivariate Bayesian Predictive Synthesis in Macroeconomic Forecasting In "CAMP Working Papers"	Growth with Age-Dependent Preferences In "CAMP Working Papers"	Mind the gap! Stylized dynamic facts and structural models In "CAMP Working Papers"
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Following CENTRE FOR APPLIED MACROECONOMICS AND COMMODITY PRICES

ABOUT

Centre for Applied Macroeconomics and Commodity Prices (**CAMP**) brings together economists working on applied macroeconomic issues, with special emphasis on petroleum- and energy economics. CAMP is located at BI Norwegian Business School.

CAMP – Centre for Applied Macroeconomics and Commodity Prices
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