

2017

ANNUAL REPORT

**Centre for Applied Macro- and Petroleum
economics (CAMP)**

BI

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Centre for Applied Macro- and Petroleum economics

Centre for Applied Macro- and Petroleum Economics (CAMP) brings together economists working on applied macroeconomic issues, with special emphasis on petroleum- and energy economics. The research activities at CAMP are broad and encompass all elements pertaining to the analysis of energy economics, macroeconomics and finance. The program is directed by Professor Hilde C. Bjørnland in the Department of Economics at BI Norwegian Business School.

Funding

CAMP has received funding from Statoil, 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.

(i) Statoil's Research program in Petroleum and Energy Economics: Statoil 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.

(ii) The Resource Council of Norway: The Resource Council of Norway has awarded gift-strengthening support for CAMP.



Hilde C. Bjørnland - Director

Highlights from 2017



Frode M. Nordvik, Sepideh K. Zahiri and Vegard H. Larsen

- Three PhD defences
- Two PhD courses organized in Oslo
- Two workshops organized; one in Oslo and one in Canberra, Australia
- Joint seminar with Centre for Monetary Economics (CME) on “Sentralbanklovutvalgets rapport: Seminar og diskusjon”
- Nine working papers
- 14 published or forthcoming papers in international Journals
- Research associate Vegard H. Larsen won Norges Bank’s Foundation for Economic Research price on the best PhD thesis in macroeconomics.
- CAMP has developed a daily business cycle index for the Norwegian economy called the Financial News Index (FNI). The index is designed to track Norwegian GDP growth and is published in cooperation with Retriever on a monthly basis.



The figure graphs the FNI with 68 percent confidence bands. Please use the citation "FNI - Retriever/CAMP(BI)". The blue solid line is demeaned quarterly GDP growth Mainland Norway (sourced from Statistics Norway (SSB)).

CAMP Network

Research Associates

Hilde C. Bjørnland	<i>Director and Professor</i>	BI Norwegian Business School
Jørgen Juel Andersen	<i>Associate Professor</i>	BI Norwegian Business School
Fabio Canova	<i>Professor</i>	BI Norwegian Business School
Vegard Høghaug Larsen	<i>Researcher II</i>	Norges Bank
Junior Maih	<i>Associate Professor II</i>	Norges Bank
Tommy Sveen	<i>Professor</i>	BI Norwegian Business School
Leif Anders Thorsrud	<i>Researcher II</i>	Norges Bank
Ragnar Torvik	<i>Professor II</i>	NTNU
Knut Are Aastveit	<i>Researcher II</i>	Norges Bank

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
Sepideh Khayati Zahiri	<i>PhD Candidate</i>	BI Norwegian Business School
Isabel Hovdahl	<i>Visiting PhD Candidate</i>	NTNU

Visiting Scholars

Ron Alquist	<i>Assistant Chief</i>	Bank of Canada
Christiane Baumeister	<i>Associate Professor</i>	University of Notre Dame
Drago Bergholt	<i>Researcher</i>	Norges Bank
Yoosoon Chang	<i>Professor</i>	Indiana University
Marcelle Chauvet	<i>Professor</i>	University of California, Riverside
Mardi Dungey	<i>Professor</i>	University of Tasmania
Francesco Furlanetto	<i>Senior Researcher</i>	Norges Bank
James Hamilton	<i>Professor</i>	University of California San Diego
Ana Maria Herrera	<i>Professor</i>	University of Kentucky
Lutz Kilian	<i>Professor</i>	University of Michigan
Douglas Laxton	<i>Research Director</i>	International Monetary Fund
Lavan Mahadeva	<i>Senior Research Fellow</i>	University of Oxford
Renée Fry-McKibbin	<i>Professor</i>	Australian National University
Warwick McKibbin	<i>Professor</i>	Australian National University
Galo Nuno	<i>Economist</i>	European Central Bank
Michael Plante	<i>Senior Researcher</i>	Federal Reserve Bank of Dallas
Francesco Ravazzolo	<i>Professor</i>	University of Bozen/Bolzano
Philiph Rothman	<i>Professor</i>	East Carolina University
Kenneth Singleton	<i>Professor</i>	Stanford University
James Stock	<i>Professor</i>	Harvard University
Martin Stuermer	<i>Research Economist</i>	Federal Reserve Bank of Dallas
Joaquin Vespignani	<i>Senior Lecturer</i>	University of Tasmania
Robert Vigfusson	<i>Chief</i>	Board of Governors
Mike West	<i>Professor</i>	Duke University
Sam Wills	<i>PhD Candidate</i>	University of Oxford
Benjamin Wong	<i>PhD Candidate</i>	Australian National University
Jing Cynthia Wu	<i>Associate Professor</i>	University of Chicago

Working Papers

Issue	Title	Authors
1/2017	<i>Oil and Civil Conflict: On and Off (Shore)</i>	Jørgen Juel Andersen Frode Martin Nordvik Andrea Tesei
2/2017	<i>Supply Flexibility in the Shale Patch: Evidence from North Dakota</i>	Hilde C. Bjørnland Frode Martin Nordvik Maximilian Rohrer
3/2017	Should Developing Countries Establish Petroleum Funds?	Ragnar Torvik
4/2017	<i>Components of Uncertainty</i>	Vegard Høghaug Larsen
5/2017	<i>Asset returns, news topics, and media effects</i>	Vegard Høghaug Larsen Leif Anders Thorsrud
6/2017	<i>Oil and macroeconomic (in)stability</i>	Hilde C. Bjørnland Vegard Høghaug Larsen Junior Maih
7/2017	<i>Asymmetric effects of monetary policy in regional housing markets</i>	Knut Are Aastveit André K. Anundsen
8/2017	<i>Residential investment and recession predictability</i>	Knut Are Aastveit André K. Anundsen Eyo I. Herstad
9/2017	<i>Modelling Occasionally Binding Constraints Using Regime-Switching</i>	Andrew Binning Junior Maih

PhD Courses

Date	Title and Description
20-21 March & 25 April 2017	<i>PhD course in Factor Models in Macroeconomics</i> , with guest lecturer James Stock (Harvard University) at BI Norwegian Business School.
13-15 June 2017	<i>PhD course in Oil Markets and the Macro Economy</i> with guest lecturer Hashem Pesaran (USC Dornsife) at BI Norwegian Business School.

PhD Defense

- Vegard H. Larsen (June 2017)
- Frode M Nordvik (June 2017)
- Sepideh K. Zahiri (December 2017)

PhD Exchange

- Camilla Nore, University of Berkeley, California, August – December 2017
- Isabel Hovdahl, University of Chicago, Illinois, January – December 2017
- Thomas S. Gundersen, Melbourne University, Australia, December 2017

Papers Presented at International Conferences

Papers presented on related CAMP topics involving PhD research

Date	Conference	Presenters
March	Symposium of the Society for Nonlinear Dynamics and Econometrics. Paris, France	Vegard H. Larsen Hilde C. Bjørnland
June	The 4th annual conference of the International Association for Applied Econometrics. Sapporo, Japan	Thomas Gundersen Vegard H. Larsen Hilde C. Bjørnland
July	SEM's fourth conference MIT, Massachusetts, USA	Vegard H. Larsen
August	Macroeconomics of Uncertainty and Volatility, Stanford, USA.	Vegard H. Larsen
	European Economic Association (EEA) - European Meeting of the Econometric Society (ESEM), Lisbon, Portugal	Vegard H. Larsen
	11th Nordic Summer Symposium in Macroeconomics, Smøgen, Sweden	Vegard H. Larsen
September	CEBRA Workshop for Commodities and Macroeconomics, Federal Reserve Board, Washington, USA.	Hilde C. Bjørnland
October	The 27th Annual Meeting of the Midwest Econometrics Group. Texas A&M University, College Station, Texas, USA.	Thomas Gundersen Knut Are Aastveit Hilde C. Bjørnland
	Conference on Machine Learning for Macroeconomic Prediction and Policy, Philadelphia, USA	Vegard H. Larsen
November	Arab oil exporters: coping with a new global oil order, Economic Research Forum, Kuwait City	Hilde C. Bjørnland (Keynote Speaker)
December	ANU CAMA Applied Macroeconometrics Workshop, Crawford School of Public Policy, Australian National University, Canberra, Australia	Thomas Gundersen, Leif Anders Thorsrud Francesco Ravazzolo Hilde C. Bjørnland
	RES PhD meeting, London, UK	Vegard H. Larsen

Workshops

Date	Title and Description
22 August BI Norwegian Business School	<i>Centralbanklovutvalgets rapport: Seminar og diskusjon</i> Organized by: <ul style="list-style-type: none">• Centre for Applied Macro- and Petroleum economics (CAMP)• Centre for Monetary economics (CME) Speakers and discussants: <ul style="list-style-type: none">• Hilde C. Bjørnland (BI Norwegian Business School)• Svein Gjedrem (Norwegian School of Economics)• Steinar Holden (University of Oslo)• Espen Henriksen (BI Norwegian Business School)
5 December Canberra	<i>Third CAMP and CAMA Workshop</i> Organized by: <ul style="list-style-type: none">• Centre for Applied Macroeconomic Analysis (CAMA)• Centre for Applied Macro- and Petroleum Economics (CAMP)• Tasmanian School of Business and Economics, University of Tasmania Speakers and discussants: <ul style="list-style-type: none">• Hilde C. Bjørnland (BI Norwegian Business School)• Efrem Castlenuovo (University of Melbourne)• Giovanni Caggiano Monash University• Francesco Ravazzolo (University of Bolzano)• Beili Zhu (Crawford School)• Nicholas Grosheny (University of Adelaide)• Renee Fry-McKibbin (CAMA, CAMP)• Leif Anders Thorsrud (Norges Bank)• Joaquin Vespignani (University of Tasmania)• Thomas Gundersen (BI Norwegian Business School)
12 December BI Norwegian Business School	<i>CATE and CAMP Workshop on applied and theoretical econometrics</i> Organized by: <ul style="list-style-type: none">• The Centre for Applied and Theoretical Econometrics (CATE)• Centre for Applied Macro- and Petroleum Economics (CAMP) Speakers and discussants: <ul style="list-style-type: none">• Felix Pretis (University of Oxford)• Genaro Sucarrat (BI Norwegian Business School)• Johannes Mauritzen (BI Norwegian Business School)• Andre Anundsen (Norges Bank)• Christian Brinch (BI Norwegian Business School)• Steffen Grønneberg (BI Norwegian Business School)

Publications in International Journals

Publications 2017

Andersen, Jørgen J., Niels Johannesen, David Dreyer Lassen and Elena Paltseva (2017). Petro Rents, Political Institutions, and Hidden Wealth: Evidence from Offshore Bank Accounts. *Journal of the European Economic Association*, 15(4), 818-860

Andersen, Jørgen J., and Mads Greker (2017). Emission Trading with Fiscal Externalities: The Case for a Common Carbon Tax for the Non-ETS Emissions in the EU. *Environmental and Resource Economics*, 1-21

Aastveit, Knut Are, Claudia Foroni and Francesco Ravazzolo (2017). Density Forecasts with MIDAS Models. *Journal of Applied Econometrics*, 32(4), 783-801

Bjørnland, Hilde C., Francesco Ravazzolo and Leif Anders Thorsrud (2017). Forecasting GDP with global components. This time is different. *International Journal of Forecasting*, 33(1), 153-173

Canova, Fabio and Hamidi Sahneh (2017). Are Small-Scale SVARs Useful for Business Cycle Analysis? Revisiting Nonfundamentalness. *Journal of the European Economic Association*, jvx032-jvx032

Caporin, Massimiliano, Lorian Pelizzon, Francesco Ravazzolo and Roberto Rigobon (2017). Measuring sovereign contagion in Europe. *Journal of Financial Stability*, 34, 150-181

Krüger, Fabian, Todd E. Clark and Francesco Ravazzolo (2017). Using Entropic Tilting to Combine BVAR Forecasts With External Nowcasts. *Journal of Business & Economic Statistics*, 35(3), 470-485

Robinson, James A., Ragnar Torvik and Thierry Verdier (2017). The political economy of public income volatility: With an application to the resource curse. *Journal of Public Economics*, 145(C), 243-252

Forthcoming

Altavilla, Carlo, Fabio Canova and Matteo Ciccarelli. Mending the broken link: heterogeneous bank lending and monetary policy pass-through. *Journal of Monetary Economics*, forthcoming.

Bergholt, Drago, Vegard H. Larsen and Martin Seneca. Business cycles in an oil economy. *Journal of International Money and Finance*, forthcoming.

Canova, Fabio and Mehdi Hamidi Sahneh. Are Small-Scale SVARs Useful for Business Cycle Analysis? Revisiting Non-Fundamentalness. *Journal of the European Economic Association*, forthcoming.

Bjørnland, Hilde C., Vegard H. Larsen and Junior Maih. Oil and macroeconomic (in)stability. *American Economic Journal: Macroeconomics*, forthcoming.

Larsen, Vegard H. and Leif Anders Thorsrud. The Value of News for Economic Developments. *Journal of Econometrics*, forthcoming.

Torvik, Ragnar. Should Developing Countries Establish Petroleum Funds? *The Energy Journal*, forthcoming.

CAMP in the Media

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

Date	Media	Involves
13.02	LSE, The 'Dutch disease' reexamined: Resource booms can benefit the wider economy	Hilde C. Bjørnland Leif Anders Thorsrud
16.02	Dagens Næringsliv: Endrer handlingsregelen fra fire til tre prosent	Hilde C. Bjørnland
30.03	Aftenposten: Skaper oljepenger krig?	Jørgen Juel Andersen
19.04	Centralbanking.com: Type of uncertainty matters for modelling	Vegard H. Larsen
22.05	Retriever: Opp eller ned i norsk økonomi?	Hilde C. Bjørnland
22.05	Dagens Næringsliv: Ny måling viser sterkere vekst i norsk økonomi	Hilde C. Bjørnland
23.05	E24: Ny måling viser sterkere vekst i norsk økonomi	Hilde C. Bjørnland
26.05	Dagens Næringsliv: Hva du må lese for å vite om økonomien skal gå til bunns eller til himmels	Leif Anders Thorsrud Vegard H. Larsen
22.08	forskning.no: Bør oljefondet og Norges Bank skilles?	Hilde C. Bjørnland
24.08	BI Business Review: Støtter sentralbanklovutvalgets forslag	Hilde C. Bjørnland
05.09	Dagens Næringsliv: Temperaturmåler viser enda sterkere vekst i norsk økonomi	Hilde C. Bjørnland
27.09	Finansavisen: Les og bli rik	Leif Anders Thorsrud Vegard H. Larsen
08.11	Dagens Næringsliv: Temperaturmåler: Oppturen fortsetter i norsk økonomi	Hilde C. Bjørnland Leif Anders Thorsrud Vegard H. Larsen
07.12	Dagens Næringsliv: Pilene peker videre opp	Hilde C. Bjørnland

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