



Term: Fall | December 2020

FROM THE DIRECTORS



In this newsletter, we inform you about the research and activities in the CAMP network for the second term of 2020. Since June 2020, the network has published four papers and seven working papers. Due to Covid-19, onsite conferences and events have been canceled, but CAMP researchers have still been present in the virtual academic world. Thanks to everyone who has contributed in 2020.

Blog: In the second term of 2020, we have published 15 blog posts about publications, events and the FNI index. You can read more and follow the blog [here](#).

FNI index: We continue our work with the Financial News Index, which is the first textual data analysis of the Norwegian Economy. CAMP has published extraordinary FNI updates in line with the development of the Covid-crisis. You can read more and subscribe [here](#).

Covid-19: CAMP Director Hilde C. Bjørnland and Deputy Director Ragnar Torvik is part of the Norwegian Government's extended group for evaluating economic effects of infection prevention related to Covid-19.

Climate: 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](#).

Media: The CAMP network has been active in both Norwegian and international media. Leif Anders Thorsrud, Vegard H. Larsen and Saskia ter Ellen wrote a **column** in Vox about narrative monetary policy surprises in December. You can see more of CAMP's media presence [here](#).

- **Leif Anders Thorsrud and Hilde C. Bjørnland**

CAMP is established to bring together economists working on applied macroeconomic issues, with special emphasis on energy economics. CAMP's objectives are to advance research and postgraduate training in relevant fields. The centre conducts original research to improve the understanding of macroeconomic issues of resource rich economies, and act as a forum for discussion of policy issues between academia, government and the private sector.

Read more about CAMP [here](#).

PUBLICATIONS AND WORKING PAPERS

Publications Fall 2020:

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

Cross, J. L., Hou, C. and Poon, A., 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, Pages 899-915

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

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

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*

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 macroeconometric models. Forthcoming in *Quantative Economics*

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

Working Papers:

Iacopini, M., Ravazzolo, F. and Rossini, L. Proper scoring rules for evaluating asymmetry in density forecasting. *CAMP Working Paper Series 06/2020*

Anundsen, A. K., Kivedal, B. K., Larsen, E. R. and Thorsrud, L.A. Behavioral changes and policy effects during Covid-19. *CAMP Working Paper Series 07/2020*

Ellingsen, J., Larsen, V. H. and Thorsrud, L. A. News media vs. FRED-MD for macroeconomic forecasting. *CAMP Working Paper Series 08/2020*

Cross, J., Zhang, B. and Guo, N. Time-Varying Trend Models for Forecasting Inflation in Australia. *CAMP Working Paper Series 09/2020*

Kapfhammer, F., Larsen, V. H. and Thorsrud, L. A. Climate Risk and Commodity Currencies. *CAMP Working Paper Series 10/2020*

Bjørnland, H. C., Casarin, R., Lorusso, M. and Ravazzolo, F. Oil and Fiscal Policy Regimes. *CAMP Working Paper Series 11/2020*

Alstadheim, R., Bjørnland, H. C., Junior, M. Do Central Banks Respond to Exchange Rate Movements? A Markov-Switching Structural Investigation of Commodity Exporters and Importers. *CAMP Working Paper Series 12/2020*