

Fabio Busetti

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EMPLOYMENT

Bank of Italy, Directorate General for Economics, Statistics and Research

- 2021 – Director in the Economic Outlook and Monetary Policy Directorate and Member of the Eurosystem's Monetary Policy Committee
- 2017 – 2020 Head of the Macroeconomic Modeling and Forecasting Division
- 2015 – 2016 Deputy Head of the Macroeconomic Modeling and Forecasting Division
- 2007 – 2014 Head of the Econometric Forecasting Unit
- 1999 – 2006 Economist/Senior Economist

OTHER PROFESSIONAL ACTIVITIES

- **Member of the Steering Committee of Euro Area Business Cycle Network** (since 2023).
- **Member of the Working Group on Forecasting** of the European System of Central Banks (from 2008 to 2020).
- **External Fellow** of the “Granger Centre for Time Series Econometrics” (University of Nottingham) and the “Essex Centre for Financial Econometrics” (Essex Business School).
- **Lecturer** for the M.Sc.-Ph.D courses of “Nonstationary Time Series” (2002, 2003, 2008), “Unobserved Components Models” (2004, 2007, 2009) at the University of Rome "Tor Vergata".
- **Visiting Scholar** at the University of California, San Diego (2004-2005)
- **Conference Organizations:** Chair of the Organizing Committee of the Bank of Italy conference on “Monetary Policy in the New Normal: Strategy, Instruments and Transmission” (October 2019). Member of the Scientific Committee of the 6th, 8th and 9th “Italian Congress of Econometrics and Empirical Economics” (2015, 2019, 2021).
- **Referee** for the following reviews: *American Economic Review, Computational Statistics & Data Analysis, Econometric Reviews, Econometric Theory, Econometrics Journal, Economica, Economics Letters, Empirical Economics, European Economic Review, International Finance, International Journal of Central Banking, International Journal of Forecasting, Journal of Applied Econometrics, Journal of Applied Statistics, Journal of Business and Economic Statistics, Journal of Econometrics, Journal of Economic Dynamics and Control, Journal of Financial Econometrics, Journal of Money, Credit and Banking, Journal of Nonparametric Statistics, Journal of Statistical Planning and Inference, Journal of Time Series Analysis, Labour, Macroeconomic Dynamics, MDPI Econometrics, Oxford Bulletin of Economics and Statistics, Research in Economics, Review of Economics and Statistics, Scandinavian Journal of Statistics, Statistical Papers, Studies in Nonlinear Dynamics & Econometrics.*

EDUCATION

- **Ph.D. in Economics** – London School of Economics. Advisor: Andrew Harvey
- **M.Sc. in Econometrics** – London School of Economics
- **Laurea (cum laude) in Economics and Business** – University of Torino, Italy

AWARDS AND HONORS

- **Mark of Distinction** in the M.Sc. in Econometrics at the LSE (1996).
- **Scholarship of Fondazione Luigi Einaudi** for graduate studies in economics (1995-96).
- **Ranked 70th** in the world ranking of econometricians, based on standardized publications over the period 1998-2005, in Badi Baltagi, ‘*Worldwide Econometrics Rankings: 1998-2005*’, *Econometric Theory*, 23, 2007, pp 952-1012.

RESEARCH INTERESTS

- Time Series Econometrics, Applied Macroeconomics, Forecasting
- Unobserved Component Models, Structural Change, Time-varying distributions

PUBLISHED RESEARCH ARTICLES

26. “Monetary policy strategies in the New Normal: A model-based analysis for the euro area” (with S. Neri, A. Notarpietro and M. Pisani), *Journal of Macroeconomics* 70 (2021).
25. “The time-varying risk of Italian GDP” (with M. Caivano, D. Delle Monache and C. Pacella), *Economic Modelling* 101 (2021).
24. “Domestic and global determinants of inflation: evidence from expectile regression” (with M. Caivano and D. Delle Monache), *Oxford Bulletin of Economics and Statistics* 83 (2021), 982-1001.
23. “Low frequency drivers of the real interest rate: empirical evidence for advanced economies” (with M. Caivano), *International Finance* 22 (2019), 171-185.
22. “Quantile aggregation of density forecasts”, *Oxford Bulletin of Economics and Statistics* 79 (2017), 495-512.
21. “The trend-cycle decomposition of output and the Phillips curve: Bayesian estimates for Italy and the euro area” (with M. Caivano), *Empirical Economics* 50 (2016), 1565-1587.
20. “The drivers of Italy's investment slump during the double recession” (with C. Giordano and G. Zevi), *Italian Economic Journal* 2 (2016), 143-165.
19. “On detecting end-of-sample instabilities” in: Koopman S.J. and N. Shephard eds, *Unobserved Components and Time Series Econometrics*, Oxford University Press (2015).
18. “Comparing forecast accuracy: a Monte Carlo investigation” (with J. Marcucci), *International Journal of Forecasting* 29 (2013), 13-27.
17. “When is a copula constant? A test for changing relationships” (with A. Harvey), *Journal of Financial Econometrics* 9 (2011), 106-131.
16. “Bootstrap LR tests of stationarity, common trends and cointegration” (with S. Di Sanzo), *Journal of Statistical Computation and Simulation* (2011).
15. “Tests of strict stationarity based on quantile indicators” (with A. Harvey), *Journal of Time Series Analysis* 31 (2010), 435-450.
14. “Initial conditions and stationarity tests”, *Economics Letters* 105 (2009), 296-299.

13. "Testing for trend" (with A. Harvey), *Econometric Theory* 24 (2008), 72-87.
12. "Inflation convergence and divergence within the European Monetary Union" (with A. Harvey, L. Forni, F. Venditti), *International Journal of Central Banking* 3 (2007), 95-121.
11. "Convergence of prices and rates of inflation" (with A. Harvey, S. Fabiani), *Oxford Bulletin of Economics and Statistics* 68 (2006), 863-877.
10. "Tests of seasonal integration and cointegration in multivariate unobserved component models", *Journal of Applied Econometrics* 21 (2006), 419-438.
9. "Preliminary data and econometric forecasting: an application with the Bank of Italy quarterly model", *Journal of Forecasting* 25 (2006), 1-23.
8. "Stationarity tests for irregularly spaced observations and the effects of sampling frequency on power" (with A.M.R. Taylor), *Econometric Theory* 21 (2005), 757-794.
7. "Tests of stationarity against a change in persistence" (with A.M.R. Taylor), *Journal of Econometrics* 123 (2004), 33-66.
6. "Further Comments on Stationarity Tests in Series with Structural Breaks at Unknown Points" (with A. Harvey), *Journal of Time Series Analysis* (2003), 137-140.
5. "Seasonality tests" (with A. Harvey), *Journal of Business and Economic Statistics* 21 (2003), 420-436.
4. "Testing against stochastic trend and seasonality in the presence of unattended breaks and unit roots" (with A.M.R. Taylor), *Journal of Econometrics* 117 (2003), 21-53.
3. "Variance shifts, structural breaks and stationarity tests" (with A.M.R. Taylor), *Journal of Business and Economic Statistics* 21 (2003), 510-531.
2. "Testing for (common) stochastic trends in the presence of structural breaks", *Journal of Forecasting* (2002), 81-105.
1. "Testing for the presence of a random walk in series with structural breaks" (with A. Harvey), *Journal of Time Series Analysis* (2001), 127-150.

POLICY PAPERS

- "Energy price shocks and inflation in the euro area" (with S. Neri, C. Conflitti, F. Corsello, D. Delle Monache and A. Tagliabracci), Bank of Italy Occasional Papers n. 792 (2023).
- "Monetary policy strategies in the New Normal: A model-based analysis for the euro area" (with S. Neri, A. Notarpietro and M. Pisani), SUERF Policy Brief, n. 215, 2021.
- "Capital and public investment in Italy: macroeconomic effects, measurement and regulatory weaknesses" (with C. Giorgiantonio, G. Ivaldi, S. Mocetti, A. Notarpietro and P. Tommasino), Bank of Italy Occasional Papers n. 520 (2019).
- "The Bank of Italy econometric model: an update of the main equations and model elasticities" (with G. Bulligan, M. Caivano, P. Cova, D. Fantino, A. Locarno and L. Rodano), Bank of Italy Working Papers n. 1130 (2017)
- "Main drivers of the recent decline in Italy's non construction investment" (with C. Giordano and G. Zevi), Bank of Italy Occasional Papers n. 276 (2015).
- "Deflationary shocks and de-anchoring of inflation expectations" (with G. Ferrero, A. Gerali and A. Locarno), Bank of Italy Occasional Papers n. 252 (2014).
- "The macroeconomic impact of the sovereign debt crisis: a counterfactual analysis for the Italian economy" (with P. Cova), Bank of Italy Occasional Papers n. 201 (2013).