

ELMAR MERTENS

Doctorate in Economics (HEC Lausanne, Switzerland, 2007)

Master of Arts HSG (University of St. Gallen, Switzerland, 2000)

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CURRENT POSITION

Deutsche Bundesbank (Frankfurt am Main, Germany, since 2018/08)
Senior Economist in the Research Centre.

PUBLICATIONS

“Addressing COVID-19 Outliers in BVARs with SV” with Andrea Carriero, Todd E. Clark, and Massimiliano Marcellino (2022). Accepted at the *Review of Economics and Statistics*.

Also: Working Paper 21-02, Federal Reserve Bank of Cleveland (2021).

<https://doi.org/10.26509/frbc-wp-202102>

“A Time Series Model of Interest Rates With the Effective Lower Bound” with Benjamin K. Johansson (2021). *Journal of Money, Credit, and Banking*.

<https://doi.org/10.1111/jmcb.12771>

“Inflation and Professional Forecast Dynamics: An Evaluation of Stickiness, Persistence, and Volatility” with James Nason (2020). *Quantitative Economics* Vol, 11(4),

1485 – 1520. <https://doi.org/10.3982/QE980>

“Modeling Time-Varying Uncertainty of Multiple-Horizon Forecast Errors” with Michael W. McCracken and Todd E. Clark (2020). *Review of Economics and Statistics* Vol. 102(1), 17–33.

https://doi.org/10.1162/rest_a_00809

“Measuring the Level and Uncertainty of Trend Inflation” (2016),
Review of Economics and Statistics Vol. 98 (5), 950 – 967.

https://doi.org/10.1162/REST_a_00549

“Managing Beliefs about Monetary Policy under Discretion” (2016),
Journal of Money, Credit, and Banking Vol 48 (4), 661 – 698.

<https://doi.org/10.1111/jmcb.12314>

“Trend Inflation in Advanced Economies” with Christine Garnier and Edward Nelson (2015),
International Journal of Central Banking, Vol 11 (Supplement 1), 65 – 136.

“Stock Prices, News, and Economic Fluctuations: Comment” with André Kurmann (2014),
American Economic Review, Vol 104(4), 1439–45.

<https://doi.org/10.1257/aer.104.4.1439>

“Are Spectral Estimators Useful for Long-Run Restrictions in SVARs?” (2012),

Journal of Economic Dynamics and Control, Vol 36 (12), 1831–1844.

<https://doi.org/10.1016/j.jedc.2012.06.007>

“Structural Shocks and the Comovements between Output and Interest Rates” (2010),

Journal of Economic Dynamics and Control, Vol 34 (6), 1171–1186.

<https://doi.org/10.1016/j.jedc.2010.02.008>

“Predictability in Financial Markets: What do Survey Expectations Tell Us?” with

Philippe Bacchetta and Eric van Wincoop (2009),

Journal of International Money and Finance, Vol 28 (3), 406–426.

<https://doi.org/10.1016/j.jimonfin.2008.09.001>

other:

“The Expected Real Interest Rate in the Long Run: Time Series Evidence with the Effective Lower Bound” (2016) with Benjamin K. Johansson, *FEDS Notes*, Board of Governors of the Federal Reserve System.

“Internationale Finanzmärkte” (2003), Chapter 10 in *Finance compact*,
edited by Heinz Zimmermann, NZZ Verlag.

WORKING PAPERS

“Constructing the Term Structure of Uncertainty from the Ragged Edge of SPF Forecasts” with
Todd E. Clark, and Gergely Ganics (2022).

“Indeterminacy and Imperfect Information” with Thomas A. Lubik and Christian Matthes (2022,
fully revised). Discussion Papers 01/2020. Deutsche Bundesbank.

“Forecasting with Shadow-Rate VARs” with Andrea Carriero, Todd E. Clark, and Massimiliano
Marcellino (2021). Working Paper 21-09, Federal Reserve Bank of Cleveland (2021).

<https://doi.org/10.26509/frbc-wp-202109>

“Measuring Uncertainty & its Effects in COVID-19 Era” with Andrea Carriero, Todd E. Clark, and
Massimiliano Marcellino, Working Paper 20-32, Federal Reserve Bank of Cleveland (2020)
and CEPR Discussion Paper 15965.

<https://doi.org/10.26509/frbc-wp-202032>

RECENT AND UPCOMING CONFERENCE PRESENTATIONS

NBER Summer Institute (2022, 2021, 2017, 2015 and 2012)
NBER-NSF Seminar on Bayesian Inference in Econometrics and Statistics (SBIES, 2021)
ECB Conference on Forecasting Techniques (2021, 2016)
IAAE (2021, 2019, 2016, 2014)
Econometric Society, North American Summer Meeting (2021, 2009)
EEA Meetings (2021, 2018, 2007, 2006)
“Climate Change, Pandemics, Monetary Policy: New Approaches in Crisis Time,” (2020)
hosted by Danmarks Nationalbank, joint with Bundesbank and Norges Bank
World Congress of the Econometric Society (2020)
Forecasting at Central Banks Conference, hosted by the Bank of Canada (2019)
DNB annual research conference (2019)
Dynare (2019, 2017, 2012, 2011)
EABCN (2019)
Barcelona GSE Summer Forum (2018, 2017)
Society for Nonlinear Dynamics and Econometrics (2017, 2014)
NBER-NSF Times Series Conference, Poster Sessions, (2016, 2013)
Conference on Real-Time Analysis at the Federal Reserve Bank of Philadelphia (2016)
CIRANO/CIREQ Workshop on Data Revisions and Policy (2015, 2013)

CONFERENCE DISCUSSIONS

Del Negro, Giannone, Giannoni and Tambalotti: “Global Trends in Interest Rates” SNB Research Conference 2019

Carriero, Clark and Marcellino: “The Identifying Information in Vector Autoregressions with Time-Varying Volatilities: An Application to Endogenous Uncertainty” 1st Dolomiti Macro Meetings 2019

Stevens and Wauters: “Is euro area lowflation here to stay? Insights from a time-varying parameter model with survey data.” National Bank of Belgium biennial research conference 2018

Mertens and Williams: “What to expect from the lower bound on interest rates?” CEBRA 2018

Chahrour and Jurado: “News or Noise: The Missing Link.” NAFI workshop 2017

Carvalho, Eusepi, Moench and Preston: “In search of a nominal anchor: What drives long-term inflation expectations?” FRB Cleveland conference on inflation drivers and dynamics (2016)

Mertens and Ravn: “Reconciliation of SVAR and narrative estimates of tax multipliers.” Journal of Monetary Economics / Swiss National Bank Gerzensee Conference (2012)

Nason and Smith: “Reverse Kalman Filtering U.S. Inflation with Sticky Professional Forecasts.” Conference on Real-Time Analysis, Federal Reserve Bank of Philadelphia (2012)

Forlati and Lambertini: “Risky Mortgages in a DSGE Model.” Swiss National Bank research conference (2010)

Angeletos and La’O: “Incomplete Information, Higher-Order Beliefs and the Inertia of Prices in the Calvo Model.” Journal of Monetary Economics / Swiss National Bank Gerzensee Conference (2008)

Meh and Moran: “The Role of Bank Capital in the Propagation of Shocks.” Swiss National Bank research conference 2009

REFEREE AND OTHER SERVICES TO THE PROFESSION

Associate editor at the Journal of Money, Credit & Banking (since 2016).

Scientific committee member: Annual conference of the International Association of Applied Econometrics (IAAE) (since 2018).

Organizing committee member: EABCN and Deutsche Bundesbank conference “Challenges in Empirical Macroeconomics since 2020” (2022), Joint conference of Danmarks Nationalbank, Deutsche Bundesbank and Norges Bank “New Developments in Business Cycle Analysis: The Return of Inflation” (2022)

Co-coordinator of the research cluster on monetary economics at the European System of Central Banks (ESCB), jointly with Ambrogio Cesa-Bianchi, Bank of England (2019 – 2020).

Referee (last few years): American Economic Journal: Macroeconomics; Journal of Applied Econometrics; Journal of Business & Economic Statistics; Journal of Monetary Economics; Quantitative Economics; Review of Economics and Statistics; Economic Journal; International Journal of Central Banking; Journal of Economic Dynamics and Control; Oxford Bulletin of Economics and Statistics; Oxford Economic Papers; Econometrica; Canadian Journal of Economics; Journal of International Money and Finance

EMPLOYMENT

Bank for International Settlements (Basel, Switzerland, 2017/01 – 2018/05)

Senior Economist in the Monetary Policy unit of the Monetary and Economic Department.
Research on monetary policy. Contributions to the Bank's annual report and meeting notes.

Federal Reserve Board (Washington D.C., U.S.A., 2008/08 – 2016/10)

Economist in the Monetary Studies Section of the Monetary Affairs Division.
(Principal Economist since 2015/11, Senior Economist since 2013/05).

I have regularly contributed to two policy products for the Federal Open Market Committee (FOMC) as part of the so-called Tealbook/Bluebook briefing materials: "Monetary Policy Alternatives" (MPA) and "Monetary Policy Strategies." MPA offers a discussion of draft alternatives for the FOMC statement. MPS presents model-based simulations of policy prescriptions derived from different interest-rate rules and optimal control.

Study Center Gerzensee (Switzerland, Lecturer: 2007/11 – 2008/07, TA: 2003/08 – 2007/10.)

Lectures and exercises for central bankers courses in finance and monetary economics as well as for various courses in the center's Ph.D. program. Organization of finance courses.
Research assistant to Philippe Bacchetta. The center is a foundation of Swiss National Bank.

University of Basel (Switzerland, 2001/10 – 2003/06) Teaching assistant. Various assignments in building up Prof. Dr. Heinz Zimmermann's new finance chair.

Investment Consulting Group St. Gallen. (Switzerland, 2001/04–2001/09) Research associate for a university spin-off; since then rebranded as vescore AG.

McKinsey & Co. Cologne. (Germany, 2000/11–2001/02) Fellow at the risk management practice of an international management consultancy.

Goldman, Sachs & Co Frankfurt am Main. (Germany, 1998/03–1998/05) Summer Analyst in the investment banking and debt capital markets divisions.

Deutsche Bank Düsseldorf. (Germany, 1994/01–1996/01) Trainee. Certified as Bankkaufmann by the Düsseldorf Chamber of Commerce.

TEACHING EXPERIENCE

Pompeu Fabra University and Barcelona GSE: Lecturer in Master programs (2019). Two identical half courses on introduction into time series methods. “Econometric Methods III” and “Quantitative and Statistical Methods III.”

Study Center Gerzensee/Swiss National Bank: Course lecturer “Introduction to MATLAB with Tools for DSGE Modeling” taught at Swiss National Bank, (2007, 2008). Finance lectures at Central Banker’s Courses: “Introduction to Finance” (2007, 2006), “Fixed Income Instruments” (2007, 2005), “ARCH/ GARCH and MATLAB” (2007, 2006, 2005, 2004), “Introduction to Eviews with OLS and MLE” (2007, 2006, 2005, 2004)

EDUCATION

University of Lausanne, Doctorate in Economics (Switzerland, 2004/10–2007/10)
”Docteur en sciences économique.” Dissertation title: “Three Essays on the Determinants of Output, Inflation and Interest Rates”. Dissertation committee: Jean-Pierre Danthine (dir.), Philippe Bacchetta, Robert G. King, Peter Kugler.

University of Minneapolis (U.S.A., 2006/05–2006/07) Visiting scholar.

Study Center Gerzensee, Swiss Program for Beginning Doctoral Students in Economics
(Switzerland, 2002/02-2004/02)
Doctoral program in macroeconomics, econometrics and microeconomics. Faculty: Mathias Dewatripont, John Moore, Jean-Charles Rochet and Klaus Schmidt (microeconomics), Jordi Gali, Robert G. King and Sergio Rebelo (macroeconomics) as well as Bo Honore and Mark W. Watson (econometrics).

University of Basel (Switzerland, 2001/10–2003/06) Ph.D. student in finance. Teaching assistant to Heinz Zimmermann. Various assignments in building up a new finance chair.

University of St. Gallen, lic.-oec. (HSG) (Switzerland, 1995/10–2000/10)
Master of Arts HSG (“lic. oec. HSG”). Studies in economics with specialization in finance and capital markets. Thesis for diploma: “Estimating Time Varying Risk Premia of European Asset Classes”.

University of Chicago, Graduate School of Business (U.S.A., 1998/09–1998/12)
Exchange term. Classes in asset pricing (Eugene Fama), behavioral finance (Richard Thaler) and option pricing (Pietro Veronesi).

SCHOLARSHIP

German National Merit Foundation (1996–2000)

June 13, 2022