

## **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 6<sup>th</sup>, 8<sup>th</sup> and 9<sup>th</sup> “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 70<sup>th</sup>** 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).