

COURSE DESCRIPTION

Course code	Course group	Volume in ECTS credits	Course valid from	Course valid until
EKF 5012	c	6	2016 03 31	2019 03 01

Course type	Compulsory
Course level	Master (postgraduate) level
Semester the course is delivered	Autumn
Study form	Auditorium

Course title in English**MACROECONOMIC ANALYSIS AND FORECASTING****Course title in Lithuanian****Makroekonominė analizė ir prognozavimas****Course annotation in Lithuanian (up to 500 symbols)**

Šio dalyko metu siekiama, kad studentai pagilintų turimas žinias tose makroekonomikos teorijose, kurios glaudžiai susijusios su finansų sektoriumi bei įgytų gebėjimų taikyti modelius prognozavimui. Dalyko metu studijuojant makroekonominis modelius bei jų patobulinimus, atskleidžiamas finansinio tarpininkavimo vaidmuo, jo vertinimo galimybės bei poveikio kanalai. Modelių analizė taip pat orientuota į prognozavimą, su kurio principais ir metodais studentai supažindinami kurso eigoje.

Course annotation in English (up to 500 symbols)

The subject is aimed for students to improve their knowledge in macroeconomic theories that are closely related with financial sector and in application of these models for forecasting. The role of financial intermediation is revealed while studying advanced macroeconomic models and their implications. The analysis of models is also aimed for forecasting. So during the course students are introduced with principles and methods of forecasting.

Prerequisites for entering the course

Microeconomics, Macroeconomics, statistics and econometrics

Course aim

The aim of the course is to increase students' knowledge in macroeconomic theories related with financial sector and in possible application of these theories for forecasting.

Links between study program outcomes, course outcomes and criteria of learning achievement evaluation

Study program outcomes	Course outcomes	Criteria of learning achievement evaluation
3. Demonstrate understanding and ability to evaluate complex macroeconomic environment and factors, influencing financial decisions in financial and real sectors of the economy	1. to explain the role of financial intermediation in the macroeconomic equilibrium	A student names at least two models that proves the importance of financial intermediation in macroeconomics.
2. Demonstrate knowledge of quantitative and qualitative research methods, understand possibilities for their application and their limitations	3. to choose the appropriate forecasting method taking into consideration the essence of an object, the aims and period of forecasting	Student chooses the appropriate forecasting method taking into consideration the aim of forecasting only.
	4. to apply the macroeconomic model for forecasting after describing consistently the research methodology	Student applies a model for forecasting but he/she describes only one of the methodology stages
11. Be able to analyze and assess macroeconomic and business environment and financial system, including financial markets and financial institutions, for complex business financial decision making	2. To model macroeconomic equilibrium in goods market with microeconomic foundations	Student describes the general equilibrium conditions in goods market and explains the principles of microeconomic foundations

Links between course outcomes and content

Course outcomes	Content (topics)
1. To explain the role of financial intermediation in the macroeconomic equilibrium	Savings and investment; Capital policy and business cycles, Incomplete markets and banking; Investment and banking productivity; Asset price and finance; Ineffective insurance
2. To model macroeconomic equilibrium in goods market with microeconomic foundations	Analysis methods and methodology; Savings and investment; Capital policy and business cycles, Incomplete markets and banking; Investment and banking productivity; Asset price and finance; Ineffective insurance
3. To choose the appropriate forecasting method taking into consideration the essence of an object, the aims and period of forecasting	The interconnection of analysis and forecasting; Introduction into forecasting; Forecasting methods; Judgmental forecasting; Regression and time series forecasting
4. To apply the macroeconomic model for forecasting after describing consistently the research methodology	The interconnection of analysis and forecasting; Analysis methods and methodology; Savings and investment; Capital policy and business cycles, Incomplete markets and banking; Investment and banking productivity; Asset price and finance; Ineffective insurance; Introduction into forecasting; Forecasting methods; Judgmental forecasting; Regression and time series forecasting

Study (teaching and learning) methods

Teaching methods: visual presentation of information (explanation, illustration); lecture-based case analysis; formulation and explanation of problem-based examples and questions; moderation of case studies; consultations.

Learning methods: discussions; analysis of problem-based examples and questions; consultations; practical tasks; group discussion on seminar tasks; simulation games; independent student work: search and analysis of information in educational literature, periodicals, statistical documents, etc.

Methods for learning achievement assessment

Reading comparison essay, listening to oral presentation, reading written survey, reading research paper

Distribution of workload for students (contact and independent work hours)

Lectures and case studies – 30 hours.
Seminars and research consultations – 15 hours.
Practical tasks (via IT) – 15 hours.
Independent student work – 100 hours.

Structure of cumulative score and value of its constituent parts

Mid-term test – 25%
Group homework – 25%
Exam – 50 %

Recommended reference materials

No.	Publication year	Authors of publication and title	Publishing house	Number of copies in		
				University library	Self-study rooms	Other libraries
Compulsory literature						
1.	2011	M. Gillman. Advanced modern macroeconomics. Analysis and applications	Prentice Hall		2	
	2010	Barro, R.J. Intermediate MACRO	Cengage Learning	2		
2.	2011	R. J. Hyndman, G. Athanasopoulos. Forecasting: principles and practice	Wiley	Available on-line		
2.	2011	Carnot, N., Koen, V, Tissot, B. Economic Forecasting and Policy	Palgrave Macmillan	2		
Supplementary literature						
1.	2016	Graham, E. and Timmermann, A. Economic Forecasting	Princeton University Press			
2.	2006	J. Armstrong. Principles of	Springer			

		forecasting: a handbook for researchers and practioners		
3.	Research papers in reviewed journals and SSRN data base			
4.	2006	D. Romer. Advanced macroeconomics	McGraw-Hill	

Course program designed by

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