Econometric Research Institute
University at Albany, SUNY
Economics Seminar

John Geweke

Harlan McGregor Chair in Economic Theory
University of Iowa

Speaking on

Hierarchical Markov Normal Mixture Models with Application to Financial Asset Returns

April 11, 2008
BA 233; 3:30 – 5:00 pm

Abstract: With the aim of constructing predictive distributions for daily return, we introduce a new Markov normal mixture model in which the components are themselves normal mixtures. We apply the model to construct predictive distributions of daily S&P500 returns, dollar-pound returns, and one- and ten-year bonds, and compare the performance with ARCH and volatility models using predictive likelihoods.

John Geweke is Professor of Economics and Statistics at the University of Iowa. He formerly held permanent faculty appointments at the University of Minnesota, Duke University and the University of Wisconsin.
Professor Geweke is currently Co-Editor of the Journal of Econometrics and was formerly Co-Editor of the Journal of Applied Econometrics and Editor of the Journal of Business and Economic Statistics. He was a founding member of the International Society for Bayesian Analysis and served as its President in 1999. He is also an elected fellow of the Econometric Society and the American Statistical Association. His work has been supported continuously by the U.S. National Science Foundation and National Institutes of Health. He regularly advises the U.S. government on statistical policy through his work with the National Academy of Sciences.

For further details about the seminar and Professor Geweke's visit, call 442-4735.

**This seminar has been made possible by a grant from the New York State Division of the Budget.*