"The Heterogenous Great Moderation".

Replication Files

This set of codes computes the Spectral Covariance Instability (SCI) tests as introduced by Pancrazi (2014) "The Heterogeneous Great Moderation", published in the European Economic Review.

Please cite the paper in case you are using these files.

- The main code is Example_SciTests.m.
  This code replicates the results in Table 4. The current setting computes the p-values of the Sci Tests for the Lower-Business Cycle.

- The data files (data.xls) collects data for U.S. per-capita real Consumption, Investement, and Output (source: NIPA) for the period 1947q1-2007q4.

- The Sci_Tests_Function.m is the function that computes the tests.

- IntegrCoSpec.m and VarIntCoSpec.m are functions that compute respectively the Integrated cospectrum and its asymptotic variance

- Lagmatrix.m and VectorAutocov.m are technical functions.

- The .txt files collect the p-values of the tests.