

# ELMAR MERTENS

Doctorate in Economics (HEC Lausanne, Switzerland, 2007)

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

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## ACADEMIC PUBLICATIONS

- “Forecasting with Shadow-Rate VARs” with Andrea Carriero, Todd E. Clark, and Massimiliano Marcellino (2025), *accepted at Quantitative Economics*. Earlier versions circulated also under the title “Shadow-Rate VARs.” Bundesbank Discussion Paper 14/2023, and Federal Reserve Bank of Cleveland Working Paper 21-09, <https://doi.org/10.26509/frbc-wp-202109>.
- “Constructing Fan Charts from the Ragged Edge of SPF Forecasts” with Todd E. Clark, and Gergely Ganics (2025, *accepted at the Review of Economics and Statistics*. Bundesbank Discussion Paper 38/2024, and Federal Reserve Bank of Cleveland Working Paper 22-36, <https://doi.org/10.26509/frbc-wp-202236>.
- “Survey Expectations and Forecast Uncertainty” (2024) with Todd E. Clark. Chapter for the Handbook on Research Methods and Applications on Macroeconomic Forecasting (edited by Michael P. Clements and Ana B. Galvão), Edward Elgar Publishing.
- “Addressing COVID-19 Outliers in BVARs with SV” with Andrea Carriero, Todd E. Clark, and Massimiliano Marcellino (2024). *Review of Economics and Statistics*. Vol 106 (5): 1403–1417  
[https://doi.org/10.1162/rest\\_a\\_01213](https://doi.org/10.1162/rest_a_01213)
- “Stochastic Volatility in Bayesian Vector Autoregressions” (2023) with Todd E. Clark. *Oxford Research Encyclopedia of Economics and Finance*. <https://doi.org/10.1093/acrefore/9780190625979.013.919>
- “Precision-based sampling for state space models that have no measurement error” (2023). *Journal of Economic Dynamics and Control*. Vol. 154, 104720.  
<https://doi.org/10.1016/j.jedc.2023.104720>
- “Indeterminacy and Imperfect Information” with Thomas A. Lubik and Christian Matthes (2023). *Review of Economic Dynamics* Vol. 49, 37–57.  
<https://doi.org/10.1016/j.red.2022.09.003>
- “A Time Series Model of Interest Rates With the Effective Lower Bound” with Benjamin K. Johansson (2021). *Journal of Money, Credit, and Banking*. Vol. 53, 1005–1046.  
<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](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](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>

## **WORK IN PROGRESS**

- “What Is the Predictive Value of SPF Point and Density Forecasts?” with Todd E. Clark, and Gergely Ganics (2022). Working Paper 22-37, Federal Reserve Bank of Cleveland (2022), <https://doi.org/10.26509/frbc-wp-202237>.

## CONFERENCE PRESENTATIONS

NBER Summer Institute (2023, 2022, 2021, 2017, 2015 and 2012)  
IAAE (2023, 2021, 2019, 2016, 2014)  
ifo Conference on Macroeconomics and Survey Data (2023)  
NBER-NSF Seminar on Bayesian Inference in Econometrics and Statistics (2022, 2021)  
NBER-NSF Times Series Conference, Poster Sessions, (2022, 2016, 2013)  
ECB Conference on Forecasting Techniques (2021, 2016)  
Econometric Society, North American Summer Meeting (2021, 2009)  
EEA Meetings (2021, 2018, 2007, 2006)  
World Congress of the Econometric Society (2020)  
Dynare (2019, 2017, 2012, 2011)  
EABCN (2019)  
Barcelona GSE Summer Forum (2018, 2017)  
Society for Nonlinear Dynamics and Econometrics (2017, 2014)  
Conference on Real-Time Analysis (2016)  
CIRANO/CIREQ Workshop on Data Revisions and Policy (2015, 2013)

## CONFERENCE DISCUSSIONS

*Del Negro, Bassetti and Casarin*: “A Bayesian Approach for Inference on Probabilistic Surveys”  
National Bank of Belgium Workshop on Macroeconomics and Survey Data 2023

*Canova*: “FAQ: How do I Estimate the Output Gap?” CEPR-EABCN Euro Area Business Cycle  
Dating Committee conference “Finding the Gap: Output Gap Measurement in the Euro  
Area” EUI 2022

*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).

*Program committee member*: Annual conference of the International Association of Applied Econometrics (IAAE) (2023).

*Scientific committee member*: Annual conference of the International Association of Applied Econometrics (IAAE) (2018–2022,2024).

*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, alphabetic order)*: American Economic Journal: Macroeconomics; Econometrica; Economic Journal; European Economic Review; International Journal of Central Banking; International Journal of Forecasting; Journal of Applied Econometrics; Journal of Business & Economic Statistics; Journal of Economic Dynamics and Control; Journal of Finance; Journal of Money, Credit, and Banking; Journal of Monetary Economics; Review of Economics and Statistics; Review of Economic Studies; Oxford Bulletin of Economics and Statistics; Quantitative Economics

## EMPLOYMENT

### **Deutsche Bundesbank** (Frankfurt am Main, Germany, since 2018/08)

Senior Economist in the Research Centre's monetary and fiscal economics group.

Research on expectation formation, forecasting, imperfect information models, and monetary policy. Briefings to the president on various research topics.

Coordination of Research Centre contributions to the president's preparations for bimonthly meetings at the Bank for International Settlements.

Organized "friendlyfaces" virtual seminar series with new hires and external researchers in wake of the COVID-19 pandemic. Co-coordinator of ESCB research cluster on monetary economics (2019 – 2020).

### **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 real-rate trends, expectation formation, imperfect information models and 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).

Research on trend inflation, monetary policy under imperfect information, trend real rates and other topics.

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 draft alternatives for the FOMC statement with detailed discussions. MPS presents model-based simulations of policy prescriptions derived from different interest-rate rules and optimal control.

During the first half of 2016, I have been visiting the then newly created Current Macroeconomic Conditions group in the Board's Division of Research and Statistics; this group is focused on model-based nowcasting and forecasting of economic conditions and slack in the U.S. economy.

Co-leader of the Board's High-Performance Computing group during a substantial expansion of the Fed's computing cluster.

### **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.

## 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, 2001/10–2004/09) Ph.D. student in finance and economics.

**University of St. Gallen, lic.-oec. (HSG)** (Switzerland, 1995/10–2000/10)  
Master of Arts HSG (“lic. oec. HSG”). Studies in economics and business administration 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)

February 17, 2025