

# ELMAR MERTENS

Doctorate in Economics (HEC Lausanne, Switzerland, 2007/10)

Master of Arts HSG (University of St. Gallen, Switzerland, 2000/10)

Email: em@elmarmertens.com

Web: www.elmarmertens.com

Citizenship: Germany

Languages: German (native), English and French

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## CURRENT POSITION

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

Senior Economist in the Research Centre.

## PUBLICATIONS

“A Time Series Model of Interest Rates With the Effective Lower Bound” with Benjamin K. Johannsen (2021). *Journal of Money, Credit, and Banking*. <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), pages 1485 – 1520.

“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), pages 17-33.

“Measuring the Level and Uncertainty of Trend Inflation” (2016),  
*Review of Economics and Statistics* Vol. 98 (5), 950 – 967.

“Managing Beliefs about Monetary Policy under Discretion” (2016),  
*Journal of Money, Credit, and Banking* Vol 48 (4), 661 – 698.

“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.

“Are Spectral Estimators Useful for Long-Run Restrictions in SVARs?” (2012),  
*Journal of Economic Dynamics and Control*, Vol 36 (12), 1831–1844.

“Structural Shocks and the Comovements between Output and Interest Rates” (2010),  
*Journal of Economic Dynamics and Control*, Vol 34 (6), 1171–1186.

“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.

**other:**

“The Expected Real Interest Rate in the Long Run: Time Series Evidence with the Effective Lower Bound” (2016) with Benjamin K. Johansson, *FEDS Notes*, Board of Governors of the Federal Reserve System.

“Internationale Finanzmärkte” (2003), Chapter 10 in *Finance compact*, edited by Heinz Zimmermann, NZZ Verlag.

**WORKING PAPERS**

“Addressing COVID-19 Outliers in BVARs with SV” with Andrea Carriero, Todd E. Clark, and Massimiliano Marcellino (2020).

“Forecasting with Shadow-Rate VARs” with Andrea Carriero, Todd E. Clark, and Massimiliano Marcellino (2020).

“Measuring Uncertainty & its Effects in COVID-19 Era” with Andrea Carriero, Todd E. Clark, and Massimiliano Marcellino, Working Paper 202032, Federal Reserve Bank of Cleveland (2020).

“Indeterminacy and Imperfect Information” with Thomas A. Lubik and Christian Matthes (2019).

## CONFERENCE PRESENTATIONS

World Congress of the Econometric Society, (2020, virtual, Milan)  
Forecasting at Central Banks conference, (2019, Ottawa)  
DNB annual research conference, (2019, Amsterdam)  
Dynare Conference, (Lausanne 2019, Tokyo 2017, Zurich 2012, and Atlanta, 2011)  
IAAE conference, (Cyprus 2019, Milano 2016, London 2014)  
EABCN conference, (Madrid and Mannheim, 2019)  
Barcelona GSE Summer Forum, (2018, 2017)  
NBER Summer Institute, (Cambridge MA, 2017, 2015 and 2012)  
Society for Nonlinear Dynamics and Econometrics, (Paris 2017, New York 2014)  
NBER-NSF Times Series Conference, Poster Session (New York, 2016, Washington D.C., 2013)  
Conference on Real-Time Analysis, Federal Reserve Bank of Philadelphia (2016)  
9th ECB Workshop on Forecasting Techniques, (Frankfurt, 2016)  
CIRANO/CIREQ Workshop on Data Revisions and Policy, (Montreal, 2015 and 2013)  
Society for Economic Measurement, (Paris 2015, Chicago 2014)  
Canadian Economic Association, (Vancouver, 2014)  
CIRET Conference, (Vienna, 2012)  
Society for Computational Economics, (Prague, 2012, London, 2010, and Paris, 2008)  
Society for Economic Dynamics, (Montreal, 2010)  
Econometric Society, North American Summer Meeting (Boston, 2009)  
NBER Behavioral Finance Working Group (Cambridge MA, 2007)

## CONFERENCE DISCUSSIONS

*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)

*Forlatti 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 2016/07).

*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 (2019/20).

*Scientific committee member*: Conference of the International Association of Applied Econometrics (IAAE) (2018, 2019, 2020).

*Referee*: American Economic Review; Econometrica; Review of Economic Studies; Review of Economics and Statistics; American Economic Journal: Macroeconomics; Journal of Monetary Economics; Journal of Business & Economic Statistics; Journal of Applied Econometrics; Quantitative Economics; Journal of the European Economic Association; Review of Economic Dynamics; International Journal of Central Banking; Journal of Economic Dynamics and Control; Journal of Forecasting; Studies in Nonlinear Dynamics & Econometrics; Journal of International Money and Finance; Canadian Journal of Economics; International Economic Review; European Journal of Political Economy; Swiss Journal of Economics and Statistics.

## EMPLOYMENT

**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 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).

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

**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.

## TEACHING EXPERIENCE

**Lecturer** “Econometric Methods III” and “Quantitative and Statistical Methods III” in the Master programs of Pompeu Fabra University and Barcelona GSE, respectively. Two half courses on introduction into time series methods.

**Lecturer** “Introduction to MATLAB with Tools for DSGE Modeling” Course taught at Swiss National Bank, twice in 2007. Finance lectures at Central Banker’s Courses of Study Center Gerzensee: “Introduction to Finance” (2007, 2006), “Fixed Income Instruments” (2007, 2005), “ARCH/ GARCH and MATLAB” (2007, 2006, 2005, 2004), “Introduction to Eviews with OLS and MLE” (2007, 2006, 2005, 2004)

## 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, 2001/10–2003/06) Ph.D. student in finance. Teaching assistant to Heinz Zimmermann. Various assignments in building up a new finance chair.

**University of St. Gallen, lic.-oec. (HSG)** (Switzerland, 1995/10–2000/10)  
Master of Arts HSG (“lic. oec. HSG”). Studies in economics 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 16, 2021