Nikolay Gospodinov

Curriculum Vitae (CV)

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Contact Information

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Current and Previous Appointments

- Financial Economist and Senior Adviser, Research Department, Federal Reserve Bank of Atlanta, January 2018 – present
- Financial Economist and Adviser, Research Department, Federal Reserve Bank of Atlanta, July 2013 – December 2017
- Professor, Department of Economics, Concordia University, June 2012 – June 2013
- Associate Professor, Concordia University, June 2005 – May 2012
- Assistant Professor, Concordia University, July 2000 – May 2005
- Visiting Appointments:
  - Leadership Exchange Porgram, Federal Reserve Bank of New York, July 2018 – October 2018
  - Department of Economics, Emory University, January 2016 – May 2016
  - Department of Economics, University of Montréal, August 2011 – December 2011
  - Department of Finance, Desautels Faculty of Management, McGill University, June 2006 – May 2007
  - CIREQ Research Fellow, 2002 – 2014
  - CIRANO Research Fellow, 2012 – present

Education

- Ph.D. in Economics, Boston College, September 1996 – June 2000
- B.A., M.A. in Economics, University of National and World Economy, Bulgaria
  - Visiting student, Oxford University, 1992 – 1993

Book

1. Methods for Estimation and Inference in Modern Econometrics (with S. Anatolyev), Chapman and Hall/CRC Press (2011)

Journal Publications

1. "Too Good to Be True? Fallacies in Evaluating Risk Factor Models" (with R. Kan and C. Robotti), Journal of Financial Economics (2019), Volume 132, Issue 2, 451–471
2. "Multivariate Return Decomposition: Theory and Implications" (with S. Anatolyev), Econometric Reviews (2019), forthcoming
3. "Market Consistent Valuations with Financial Imperfection" (with H. Assa), Decisions in Economics and Finance (2018),Volume 41, Issue 1, 65–90
4. "Asymptotic Variance Approximations for Invariant Estimators in Uncertain Asset-Pricing Models" (with R. Kan and C. Robotti), Econometric Reviews (2018), Volume 37, Issue 7, 695–718
5. "Monetary Policy Uncertainty, Positions of Traders and Changes in Commodity Futures Prices" (with I. Jamali), European Financial Management (2018), Volume 24, Issue 2, 239–260
6. "Spurious Inference in Reduced-Rank Asset-Pricing Models" (with R. Kan and C. Robotti), Econometrica (2017), Volume 85, No. 5, 1613–1628
7. "Simulated Minimum Distance Estimation of Dynamic Models with Errors-In-Variables" (with I. Komunjer and S. Ng), Journal of Econometrics (2017), Volume 200, Issue 2, 181–193
8. "Foreign Exchange Predictability and the Carry Trade: A Decomposition Approach" (with S. Anatolyev, I. Jamali and X. Liu), Journal of Empirical Finance (2017), Volume 42, 199–211
9. "A Robust Approach to Hedging and Pricing in Imperfect Markets" (with H. Assa), Risks (2017), Volume 5, Issue 3 (special issue on Quantile Regression for Risk Assessment)
10. "On the Properties of the Constrained Hansen-Jagannathan Distance" (with R. Kan and C. Robotti), Journal of Empirical Finance (2016), Volume 36, 121–150
11. "Minimum Distance Estimation of Possibly Non-Invertible Moving Average Models" (with S. Ng), Journal of Business and Economic Statistics (2015), Volume 33, Issue 3, 403–417
12. "The Response of Stock Market Volatility to Futures-Based Measures of Monetary Policy Shocks" (with I. Jamali), International Review of Economics and Finance (2015), Volume 37, 42–54
13. "A Moment-Matching Method for Approximating Vector Autoregressive Processes by Finite-State Markov Chains" (with D. Lkhagvasuren), Journal of Applied Econometrics (2014), Volume 29, Issue 5, 843–859
14. "Misspecification-Robust Inference in Linear Asset-Pricing Models with Irrelevant Risk Factors" (with R. Kan and C. Robotti), Review of Financial Studies (2014), Volume 27, Issue 7, 2139–2170
15. "Unit Roots, Cointegration and Pretesting in VAR Models" (with A. M. Herrera and E. Pesavento), Advances in Econometrics (2013), Volume 32, 81–115
16. "Commodity Prices, Convenience Yields, and Inflation" (with S. Ng), Review of Economics and Statistics (2013), Volume 95, Issue 1, 206–219

17. "Chi-Squared Tests for Evaluation and Comparison of Asset Pricing Models" (with R. Kan and C. Robotti), Journal of Econometrics (2013), Volume 173, Issue 1, 108–125

18. "Further Results on the Limiting Distribution of GMM Sample Moment Conditions" (with R. Kan and C. Robotti), Journal of Business and Economic Statistics (2012), Volume 30, Issue 4, 494–504

19. "Local GMM Estimation of Time Series Models with Conditional Moment Restrictions" (with T. Otsu), Journal of Econometrics (2012), Volume 170, Issue 2, 476–490

20. "Nonparametric Estimation of Scalar Diffusion Models of Interest Rates Using Asymmetric Kernels" (with M. Hirukawa), Journal of Empirical Finance (2012), Volume 19, Issue 4, 595–609

21. "Stock Market Volatility and Federal Funds Rate Surprises" (with I. Jamali), Journal of Empirical Finance (2012), Volume 19, Issue 4, 497–510

22. "Asymptotics of Near Unit Roots" (with S. Anatolyev), Quantile (2012), No.10, 57–71

23. "Sensitivity of Impulse Responses to Small Low Frequency Co-movements: Reconciling the Evidence on the Effects of Technology Shocks" (with A. Maynard and E. Pesavento), Journal of Business and Economic Statistics (2011), Volume 29, Issue 4, 455–467

24. "Bootstrap Unit Root Tests in Models with GARCH(1,1) Errors" (with Y. Tao), Econometric Reviews (2011), Volume 30, Issue 4, 379–405

25. "Risk Premiums and Predictive Ability of BAX Futures" (with I. Jamali), Journal of Futures Markets (2011), Volume 31, Issue 6, 534–561

26. "Specification Testing in Models with Many Instruments" (with S. Anatolyev), Econometric Theory (2011), Volume 27, Issue 2, 427–441

27. "Modeling Financial Return Dynamics via Decomposition" (with S. Anatolyev), Journal of Business and Economic Statistics (2010), Volume 28, Issue 2, 232–245

28. "Inference in Nearly Nonstationary SVAR Models with Long-Run Identifying Restrictions," Journal of Business and Economic Statistics (2010), Volume 28, Issue 1, 1–12

29. "A New Look at the Forward Premium Puzzle," Journal of Financial Econometrics (2009), Volume 7, No.3, 312–338

30. "Tobacco Taxes and Regressivity" (with I. Irvine), Journal of Health Economics (2009), Volume 28, Issue 2, 375–384

31. "Asymptotic and Bootstrap Tests for Linearity in a Nonstationary TAR-GARCH(1,1) Model," Journal of Econometrics (2008), Volume 146, Issue 1, 146–161

32. "Forecasting Volatility" (with A. Gavala and D. Jiang), Journal of Forecasting (2006), Volume 25, Issue 6, 381–400

33. "Testing for Threshold Nonlinearity in Short-Term Interest Rates," Journal of Financial Econometrics (2005), Volume 3, No.3, 344–371

34. "A 'Long March' Perspective on Tobacco Use in Canada" (with I. Irvine), Canadian Journal of Economics (2005), Volume 38, Issue 2, 366–393

35. "Robust Asymptotic Inference in Autoregressive Models with Martingale Difference Errors," Econometric Reviews (2005), Volume 24, Issue 1, 59–81

- Selected for Econometric Reviews Best Paper Award 2004–2005

36. "Global Health Warnings on Tobacco Packaging: Evidence from the Canadian Experiment" (with I. Irvine), Topics in Economic Analysis & Policy (2004), Volume 4, Issue 1, Article 30
37. "Asymptotic Confidence Intervals for Impulse Responses of Near-Integrated Processes," Econometrics Journal (2004), Volume 7, Issue 2, 505–527
38. "Median Unbiased Forecasts for Highly Persistent Autoregressive Processes," Journal of Econometrics (2002), Volume 111, Issue 1, 85–101
39. "Bootstrap-Based Inference in Models with a Nearly Noninvertible Moving Average Component," Journal of Business and Economic Statistics (2002), Volume 20, No.2, 254–268
40. "An Empirical Likelihood Ratio Test for a Unit Root: Solution to Problem 99.2.1" (with V. Zinde-Walsh), Econometric Theory (2000), Volume 16, No.1, 143–146

Book Chapters

1. "Asset Pricing Theories, Models, and Tests" (with C. Robotti), Chapter 3 in Portfolio Theory and Management (2013), H. K. Baker and M. G. Filbeck (eds.), Oxford University Press, 46–72
2. "Improved Finite-Sample Inference in Overidentified Models with Weak Instruments," Recent Advances in Statistical Methods (2002), Y.P. Chaubey (ed.), World Scientific Publishing, London, 132–146

Recent Working Papers

1. "Deconstructing the Yield Curve" (with R. Crump), April 2019
2. "Generalized Aggregation of Misspecified Models: With an Application to Asset Pricing" (with E. Maasoumi), December 2018
3. "Forecasts of Inflation and Interest Rates in No-Arbitrage Affine Models" (with B. Wei), 2018
4. "Long-Horizon Stock Valuation and Return Forecasts Conditional on Demographic Projections" (with C. Chen, A. Maynard and E. Pesavento), 2018

Atlanta Fed Notes

1. "Carry Factors: Characteristics and Informational Content" (with I. Jamali), *Notes from the Vault*, March 2019
2. "Good Models, Bad Models," *Notes from the Vault*, January 2018
3. "Risk-On/Risk-Off in the Long Run," *Notes from the Vault*, November 2017
4. "Are Long-Term Inflation Expectations Declining? Not So Fast, Says Atlanta Fed" (with P. Tkac and B. Wei), *Macroblog*, January 2016

Research Grants

- Social Sciences and Humanities Research Council (SSHRC) of Canada:
  - **2017–2022** (Collaborator); **2013–2016** ($123,228, Principal investigator); **2010–2013** ($53,500, Principal investigator); **2005–2008** ($50,703, Principal investigator); **2002–2005** ($22,150, Principal investigator); **2001–2004** ($26,100, Co-applicant)
- Fonds Québécois de la Recherche sur la Société et la Culture (FQRSC):
  - **2010–2014** ($376,584, Team grant); **2005–2009** ($359,000, Team grant); **2002–2005** ($45,000, Principal investigator)
- Institut de Finance Mathématique de Montréal (IFM2):
  - **2010–2013** ($60,000, Principal investigator); **2005–2006** ($20,000, Principal investigator)

Refereeing Activity

- **Journals**: American Journal of Agricultural Economics; Canadian Journal of Economics; Canadian Journal of Statistics; Communications in Statistics – Simulation and Computation; Computational Economics; Computational Statistics and Data Analysis; Econometrica; Econometric Reviews; Econometric Theory; Econometrics; Econometrics Journal; Economic Inquiry; Economics Bulletin; Emerging Markets Finance and Trade; Empirical Economics; European Financial Management; Financial Review; Health Economics; International Econometric Review; International Economic Review; Internationaal Journal of Central Banking; International Journal of Forecasting; International Journal of Mathematics and Mathematical Sciences; International Review of Economics and Finance; International Review of Financial Analysis; Journal of Applied Econometrics; Journal of Banking and Finance; Journal of Business and Economic Statistics; Journal of Econometrics; Journal of Economic Dynamics and Control; Journal of Empirical Finance; Journal of Finance; Journal of Financial Econometrics; Journal of Forecasting; Journal of Futures Markets; Journal of Money, Credit and Banking; Journal of Risk and Financial Management; Journal of Time Series Analysis; Macroeconomic Dynamics; Manchester School; Metrika; Multinational Finance Journal; Quantitative Finance; Review of Economics and Statistics; Review of Finance; Review of Financial Studies; Scandinavian Journal of Economics; Singapore Economic Review; Statistical Methods and Applications; Statistical Papers; Statistica Neerlandica; Studies in Nonlinear Dynamics and Econometrics
- **Granting Agencies**: National Science Foundation (NSF); Natural Sciences and Engineering Research Council of Canada (NSERC); Social Sciences and Humanities Research Council (SSHRC); Research Grants Council (RGC) of Hong Kong; Italian Research Assessment VQR
- Federal Reserve System's CCAR Model Validation

Member of Editorial Boards

- Econometric Reviews, Associate Editor, 2011 – present

- International Econometric Review, Associate Editor, 2006 – 2017
- Stat, Associate Editor, 2012 – 2014

Member of Conference Program Committees

- Financial Market Conference (2014, 2015, 2016, 2017, 2018, 2019); OU Energy and Commodities Finance Research Conference (2019); "The Impact of Extraordinary Monetary Policy on the Financial Sector" Conference (2016); Workshop on Nonparametric Curve Smoothing (2013); CIREQ Time Series Conference (2013, 2011, 2009, 2005); Statistics Canada (2011); Humboldt–Copenhagen Conference in Financial Econometrics (2011); Montréal Econometrics Seminar Series (2010–2011); Canadian Econometrics Study Group (2008, 2007, 2006); Canadian Economic Association Meeting (2008); GMM Conference (2007)

Presentations and Discussions

- **Recent Invited Talks**:
  - "Asset Co-movements: Features and Challenges" at 2017 Financial Markets Conference "Managing Global Financial Risks: Shifting Sands and Shock Waves"
  - "Inflation Expectations: Challenges and Misperceptions" at 2016 BNP Paribas Inflation Forum
  - "Econometric Analysis of Low-Frequency Co-Movements" at 2016 Workshop on Impact of Demographics on Asset Values
  - Mini-course on "The Econometrics of Misspecified Asset Pricing Models" at Western University (2016)
- **Recent Seminar Presentations**: Indiana University, McGill University, Emory University, Boston University, University of California – San Diego, Federal Reserve Bank of New York, ESSEC (Paris), Vanderbilt University; North Carolina State University; Queen's University; Columbia University; Carleton University; University of British Columbia; University of Montréal; HEC
- **Recent Conference Presentations**: 2019 North American Econometric Society Meeting, 2018 Annual Meeting of the Southern Economic Association (Washington DC), International Symposium on Financial Engineering and Risk Management (Shanghai, China), CIREQ Econometrics Conference on "Recent Advances in the Method of Moments", Conference on Financial Econometrics and Risk Management (Western University), Annual SoFiE Conference (Toronto); NBER-NSF Time Series Conference (2014, 2010, 2006); NFA Conference (Ottawa); All–Georgia Finance Conference; Metro–Atlanta Econometrics Study Group Meeting; Canadian Econometrics Study Group (2012, 2007, 2006); Mathematical Finance Days (2012, 2010); 3rd Annual CIRPÉE Applied Financial Time Series Workshop; Humboldt–Copenhagen Conference in Financial Econometrics (Copenhagen); CIREQ Time Series Conference (2010, 2009); Joint Statistical Meeting (Washington, DC); Colloquium "Computationally-Intensive Econometrics" (McGill University); International Symposium on Forecasting (2008, 2007); International Conference of the Society for Computational Economics (2008, 2007); Conference on Generalized Method of Moments; Conference on Forecasting in Time Series (Duke University); Canadian Economic Association Meeting

- **Recent Conference Discussions**: Recent Advances on Bootstrap Methods, Montréal (2019); Annual Meeting of the Southern Economic Association, Washington DC (2018); Workshop for Commodities and Macroeconomics, FRB Dallas (2018); Day-Ahead Conference, FRB Philadelphia (2108); MFA Conference (2016); NFA Conference (2014); CIREQ Time Series and Financial Econometrics Conference (2013); Canadian Econometrics Study Group (2012, 2007); CIREQ Time Series Conference (2011, 2009, 2006, 2005)

University Service, Teaching and Supervision

- Graduate Program Director (Dept. of Economics, Concordia University), 2007–2011
- Teaching:
  - graduate: Econometric Theory, Time Series Econometrics, Financial Economics, Risk Management
  - undergraduate: Financial Econometrics, Econometrics, Macroeconomic Theory
- Supervision:
  - Ph.D. students (main supervisor): 7 students
  - M.A. research papers (main supervisor): 41 students
  - Thesis Committee Member: Ph.D. (5 students), M.A. (44 students)
  - External Thesis Examiner: Ph.D. (8 students), M.A. (6 students)