

Global Institute *for* Macroprudential Modeling

Workshop on Parameterization of Macroprudential Models

October 7 -10, 2024

Prague, Czech Republic

Workshop description:

The use of macroprudential models is rapidly growing among central banks and other financial institutions. However, the parameterizations of these models present unique challenges due to features such as nonlinearities and asymmetries. Traditional estimation techniques often fall short, requiring specialized approaches.

This workshop equips participants with the knowledge and tools to effectively parameterize macroprudential models. Through a combination of lectures, discussions, and hands-on exercises, you will gain a deep understanding of:

- The inherent difficulties associated with calibrating macroprudential models.
- Calibration versus estimation: When to use each approach and the pitfalls of traditional methods.
- Common calibration strategies and their applications: Explore effective techniques tailored for macroprudential models.
- Addressing unique model features: Learn how to handle nonlinearities and asymmetries during calibration.
- Model verification and "smell tests": Ensuring your model is well-calibrated and reflects real-world behavior.
- Data requirements for successful calibration: Identify the necessary data types and considerations.

The workshop will be based on the in-house GIMM modeling framework implemented in Python.

Target audience:

The workshop is most suitable for experts whose work involves macroeconomic modeling, macroprudential modeling, or financial stability analysis. Policymakers



interested in current issues in model-based, top-down macroprudential analysis and macroprudential policy calibration will also benefit from the workshop. Participants require basic knowledge of macroeconomic or macroprudential modeling.

Benefits for participants:

Participants will learn about theoretical and practical aspects of constructing macroprudential models, focusing on model features that are important for use in policy institutions.

Participants will receive:

- Complete model framework, including equations, documentation, and understanding of key transmission channels
- Commented codes, including model files, simulation files, data files, and reporting files
- Presentations and other materials

Participation fee:

Participants from	Workshop fee per person
GIMM member institutions	free
Low-income countries	USD 900
Lower-middle income countries	USD 1,000
Upper-middle income countries	USD 1,100
High-income countries	USD 1,200

Registration:

Participants can register [here](#) or by email at tomas.motl@gimm.institute.