厦门大学王亚南经济研究院
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Macroeconomics, Winterterm 2012/2013

Task Assignment Group 6

This assignment requires you to (i) hand in an Excel file to the teaching assistant in which you provide all numerical results and graphs on separate spreadsheets *before* the presentation in class (dates noted on course schedule provided on the syllabus on the website www.marcelbluhm.com), and, (ii), to set up a presentation (preferably in .ppt format) for class. The International Monetary Fund's World Economic Outlook Database (http://www.imf.org/) as well as the database from the OECD (http://stats.oecd.org/Index.aspx).

Investigate the relation between growth in monetary aggregates and inflation for a panel of countries:

1) Collect yearly data on growth in broad monetary aggregates (M3) and inflation for the following panel of countries over the time period 1980-2010: Australia, Canada, Denmark, India, Mexico, New Zealand, South Africa, Sweden, Switzerland, United States.
2) Based on your data, calculate average values for the variables for each country for: 5 years, 10 years, and the entire time period.
3) Set up a scatterplot for each time frequency you have set up (that is, one scatterplot for the yearly panel data set, one scatterplot for the quinquennial panel dataset etc.)
4) Which relation do you observe on the scatterplots between the variables? What is the difference between the scatterplots as regards the ‘quality’ of the relationship (that is, how clear is the relationship visually identifiable over different time horizons)? Why is there a difference in the relation between growth in monetary aggregates and inflation depending on whether one makes a short-run or long-run investigation?
5) Prepare presentation slides for class (for a presentation of 10 minutes) in which you outline your assignment, the concepts you use as well as your interpretation results from exercises 1-4 above. Make sure to also give the data sources you use.