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4GM: A New Model for the Monetary Policy Analysis in Colombia

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AUTHOR OR EDITOR Andres Gonzalez Alexander Guarin Diego A. Rodriguez-Guzman Hernando Vargas-Herrera
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Abstract

This paper introduces 4GM, a semi-structural model for monetary policy analysis and macroeconomic forecasting in Colombia. This model is based on a New-Keynesian rational expectation framework for an oil-exporting small open economy. In this paper, we present the model structure and examine the response of its variables to domestic, foreign and oil-price shocks. Further, we assess 4GM in terms of its historical shock decomposition and its out-of-sample forecasting.

Fuente: https://www.banrep.gov.co/en/4gm-new-model-monetary-policy-analysis-colombia