Central European Journal of Economic Modelling and Econometrics

Letter from Editors

The last issue of volume 2 contains three papers, the first one representing financial econometrics and the other two - macroeconomic modelling with its formal statistical tools and empirical challenges.

In the first paper, Jacek Osiewalski and Anna Pajor consider Bayesian assessment of Value-at-Risk for a large portfolio and use their n-variate MSF-SBEKK(1,1) volatility model proposed to cope with large n. They compare empirical results based on this multivariate model and the much simpler univariate approach, which amounts to modelling volatility of the value of a given portfolio.

The second paper, by Katarzyna Maciejowska, is devoted to the issue of obtaining maximum likelihood estimates of parameters for structural VAR (SVAR) models with a mixture of distributions. It is shown through a Monte Carlo experiment that the EM algorithm outperforms general maximization algorithms and the two steps quasi ML method does not worsen small sample properties of the estimators.

In the last paper, written by Robert Kelm, fundamental hypotheses about the main sources of the volatility of the Polish zloty / Euro exchange rate and inflation in Poland in the period 1999-2009 are considered and empirically tested.