README

README.pdf – Naming conventions and data used in GPM_country.

All data are quarterly. For a given variable X, we define LX = 100*LN(X), where LN() stands for the natural logarithm function. Thus,

- LGDP = 100*LN(GDP)
- LCPI = 100*LN(CPI)
- LZ = 100*LN(Z)
- LS = 100*LN(S)

Furthermore,

- Z is the real exchange rate against the US dollar.
- S is the nominal exchange rate against the US dollar.
- UNR is the unemployment rate, in percentage points.
- RS is the short-term interest rate, in percentage points.
- YF is the aggregate foreign output gap, in log deviation of actual from potential output.
- RRF is the aggregate foreign real short-term interest rate, in percentage points.
- RRF_BAR is the aggregate foreign equilibrium real short-term interest rate, in percentage points.