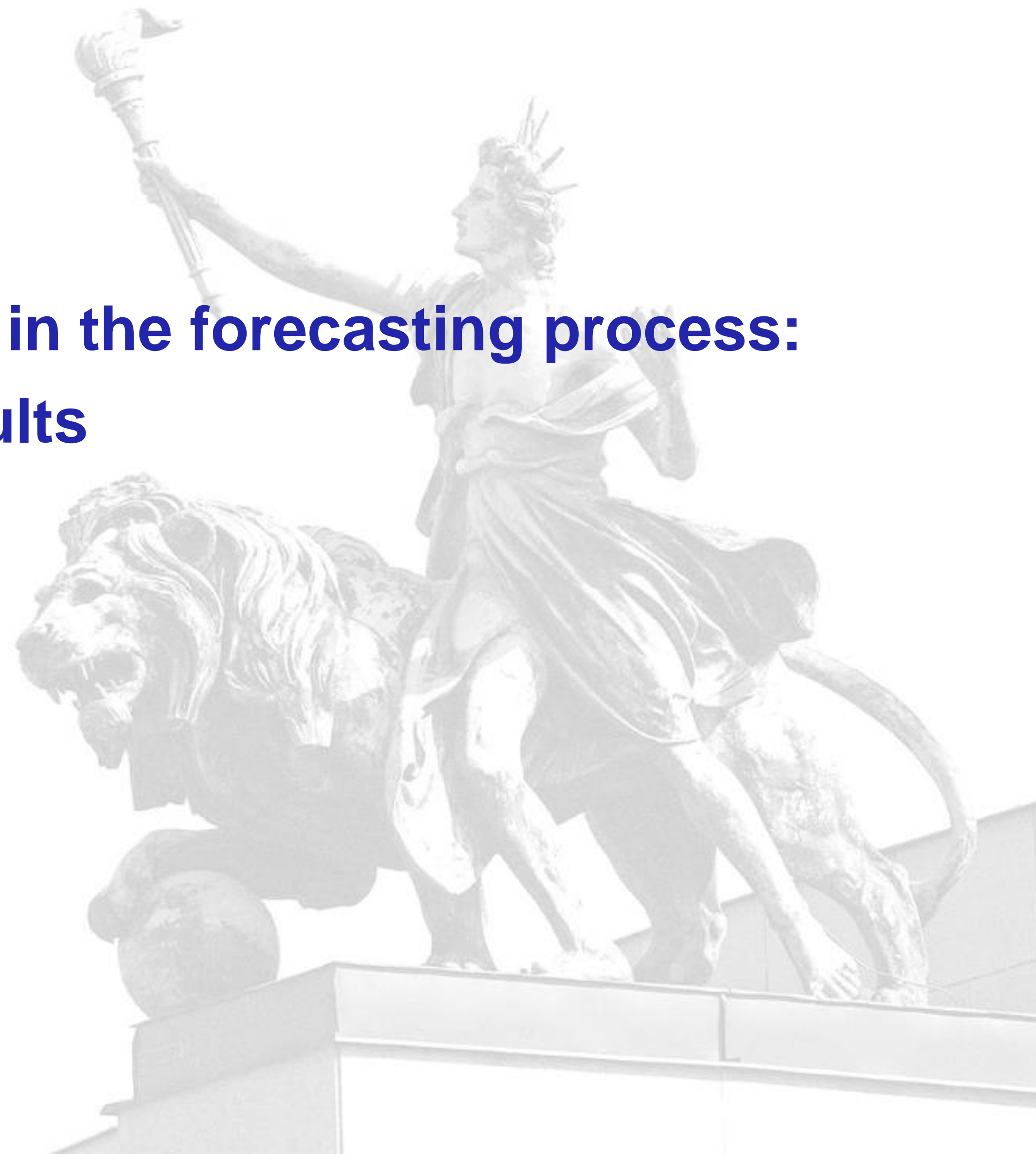


The role of macroeconomic models in the forecasting process: Survey results

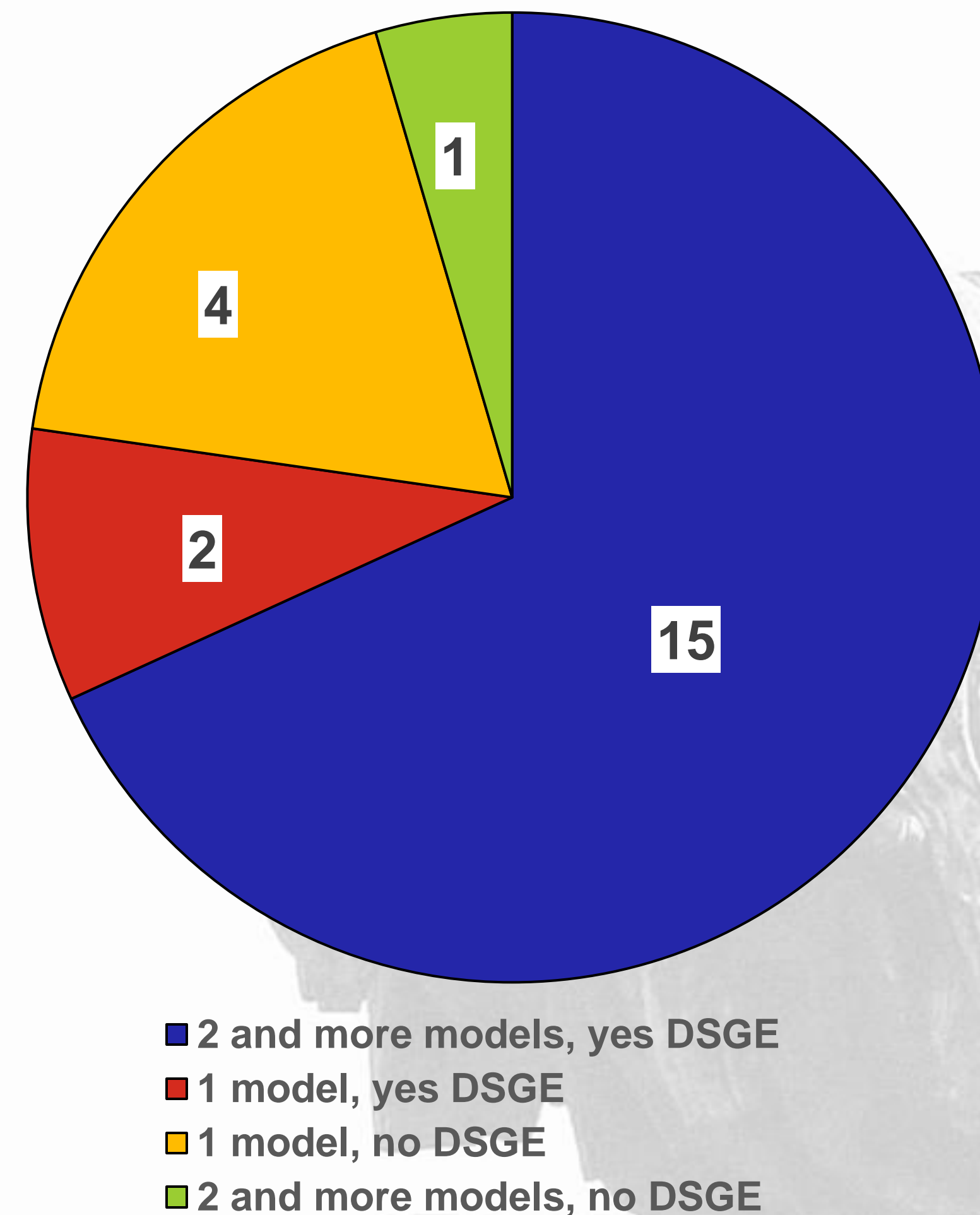
Eva Zamrazilová
CNB Deputy Governor

Prague, 1 April 2025



One or more models? Which ones?

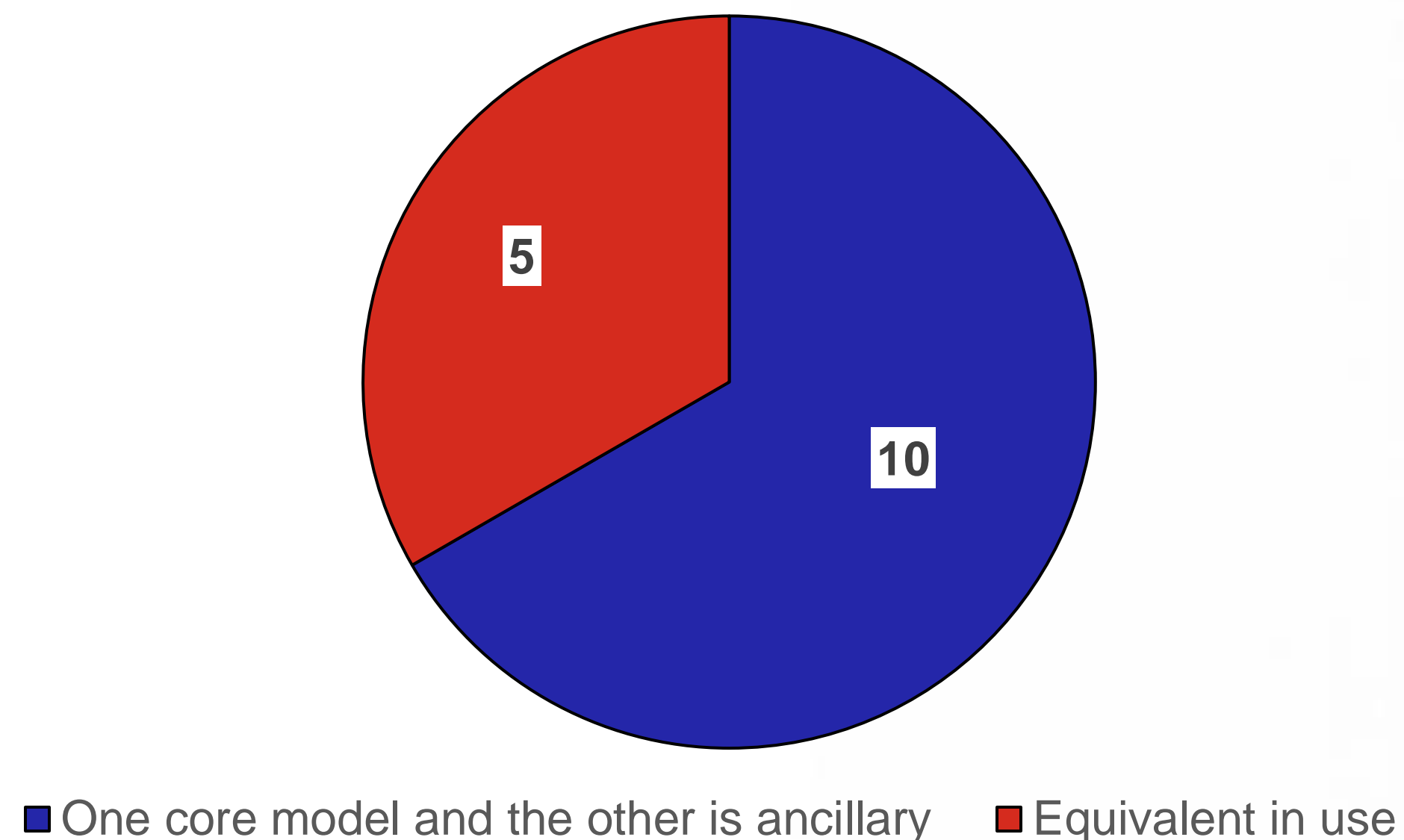
- **Majority of central banks (16 out of 22) using two or more models for macroeconomic forecasting.**
- Majority of CB (17 out of 22) using DSGE models for various purposes.
 - DSGE as „purely main“ model:
 - two CB using one model,
 - four CB banks using two or more models.
 - DSGE as „main but equivalent“ with another type of model:
 - three CB using two or more models.
 - DSGE as supportive model (cross-checking, scenarios):
 - eight CB using two or more models.
- **DSGE has its place in forecasting process, but mostly not exclusive.**
- CNB in unique position along with another two central banks: one model which is of DSGE type.



Source: CNB

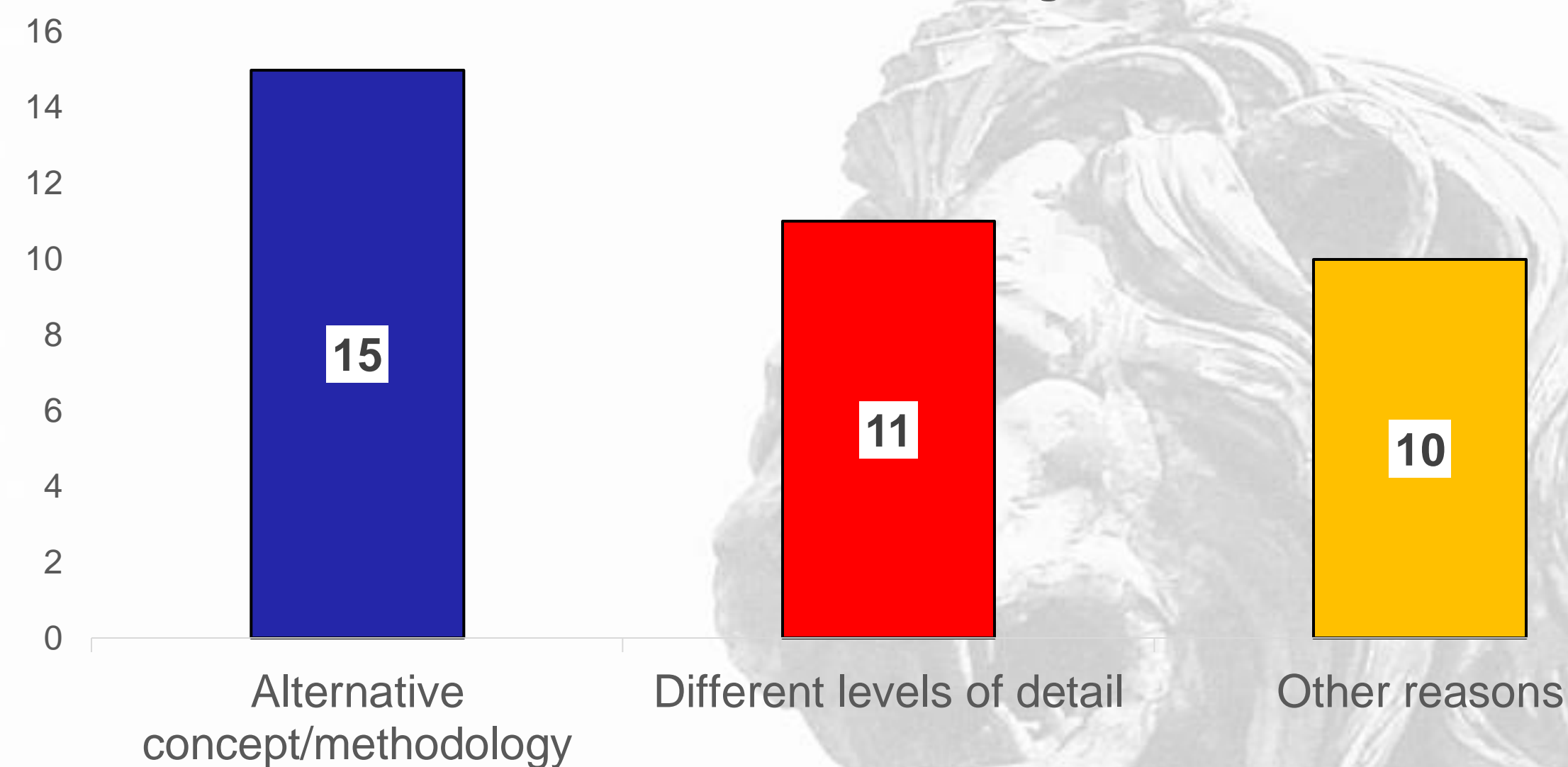
Position of models

What is the position of the models in terms of equivalence?



Source: CNB

What motivated you to implement two or more macroeconomic forecasting models?

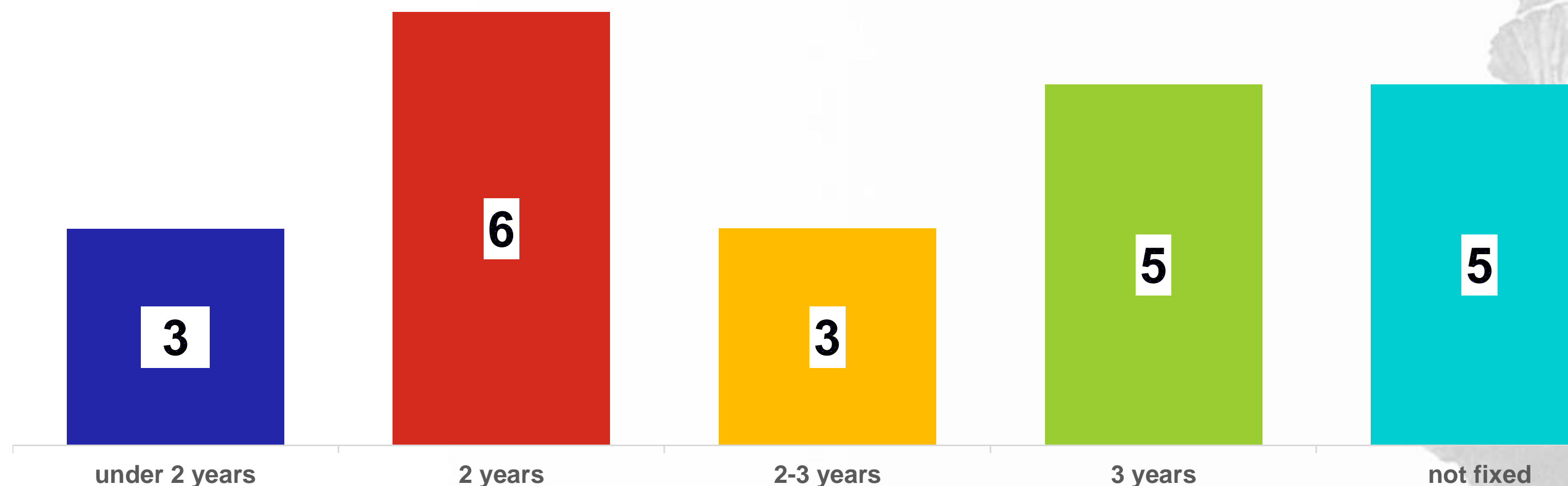


Source: CNB

- **Main reason for more than one model: alternative concept and different insights.**
- Two thirds of central banks with more than one model have one core model.
- One third have two equivalent models.

Monetary policy horizon

What monetary policy horizon (horizon for bringing the inflation back to the target) do you use?



Source: CNB

- **Most frequent horizon for bringing inflation to target is two years.**
- Three central banks prefer shorter horizon.
- Eight central banks have 2–3 years ahead.
- Five banks have been working with flexible horizon.

Thank you for your attention

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