



Research Department

Conference on the Use of Composite Indexes in Regional Analysis

*Sponsored by the Research Department, Federal Reserve Bank of Philadelphia,
in association with the Review of Economics and Statistics*

September 4-5, 2003

*Federal Reserve Bank of Philadelphia
7th and Arch Streets*

Thursday, September 4, 2003

3:00 pm – 3:15 pm **Welcoming Remarks**
Anthony M. Santomero, *President, Federal Reserve Bank of Philadelphia*

Construction of Composite Indexes

Moderator: Loretta J. Mester, *Director of Research, Federal Reserve Bank of Philadelphia*

3:15 pm – 4:15 pm **“Pre-estimation Filtering of Economic Indicator Series in Dynamic Single-factor Index Models”**
Alan Clayton-Matthews, *University of Massachusetts, Boston*

Discussant: Michael Boldin, *Wharton Research Data Services, University of Pennsylvania*

4:15 pm – 5:15 pm **“Constructing a Leading Indicator of Regional Activity: The Export Price Index”**
Michael Hollar, *George Washington University*
Anthony Pennington-Cross, *Office of Federal Housing Enterprise Oversight*
Anthony Yezer, *George Washington University*

Discussant: Gerald A. Carlino, *Federal Reserve Bank of Philadelphia*

5:15 pm – 6:00 pm **Reception**
The Bridge, 3rd Floor

6:00 pm – 8:00 pm **Dinner**
Officers’ Dining Room, 3rd Floor



FEDERAL RESERVE BANK
OF PHILADELPHIA

Research Department

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Friday, September 5, 2003

8:30 am – 9:00 am	Continental Breakfast
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Regional Composite Indexes in Regression Models

Moderator: William Lang, *Federal Reserve Bank of Philadelphia*

9:00 am – 10:00 am **“The Relationship Between Economic Activity and Tax Bases for New York State and New York City”**

Jason Bram, Andrew Haughwout, James Orr, Robert Rich, and Rae Rosen
Federal Reserve Bank of New York

Discussant: N. Edward Coulson, *Pennsylvania State University*

10:00 am – 11:00 am **“Do Regional Economic Conditions Affect Bank Condition? New Analysis of an Old Question”**

Mary Daly, John Krainer, and Jose Lopez
Federal Reserve Bank of San Francisco

Discussant: Leonard Nakamura, *Federal Reserve Bank of Philadelphia*

11:00 am – 11:15 am **Break**

Information in Regional Indexes

11:15 am – 12:15 pm **“Information Advantages from Modeling State-Level Coincident Indexes”**

Yongil Jeon, *Central Michigan University*

Discussant: Robert DeFina, *Villanova University*

12:30 pm – 1:45 pm	Lunch The Bridge, 3 rd Floor
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Friday, September 5, 2003

Using Composite Indexes to Analyze Regional Business Cycles

Moderator: James H. Stock, *Harvard University*

2:00 pm – 3:00 pm **“An Alternative Definition of Economic Regions in the U.S. Based on Similarities in State Business Cycles”**

Theodore M. Crone, *Federal Reserve Bank of Philadelphia*

Discussant: Michael A. Kouparitsas, *Federal Reserve Bank of Chicago*

3:00 pm – 4:00 pm

“Business Cycle Phases in U.S. States”

Michael T. Owyang, Jeremy Piger, and Howard Wall
Federal Reserve Bank of St. Louis

Discussant: Francis X. Diebold, *University of Pennsylvania*

4:00 pm – 4:15 pm

Break

4:15 pm – 5:15 pm

“Business Cycle Coordination Along the Texas-Mexico Border”

Keith Phillips and Jesus Cañas
Federal Reserve Bank of Dallas

Discussant: Thomas M. Fullerton, *University of Texas El Paso*

5:30 pm – 6:30 pm

Reception

The Bridge, 3rd Floor