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
# Conference on the Use of Composite Indexes in Regional Analysis

Friday, September 5, 2003

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<th>Time</th>
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<td>8:30 am – 9:00 am</td>
<td><strong>Continental Breakfast</strong></td>
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| 9:00 am – 10:00 am | **Regional Composite Indexes in Regression Models**  
  **Moderator:** William Lang, *Federal Reserve Bank of Philadelphia*  
  **“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**                                    |
| 11:15 am – 12:15 pm | **Information in Regional Indexes**  
  **“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, 3rd Floor |
Conference on the Use of Composite Indexes in Regional Analysis

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