Title of Article: Business Cycle Model for Nigeria

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Abstract: The objective of this paper was to develop a small business cycle model in the spirit of Dynamic Stochastic General Equilibrium (DSGE) model for Nigeria with a view to examine the sources of business cycles and drawing implications for policy analysis. The paper considered three policy shocks namely: monetary supply, technology and export supply on some macroeconomic aggregates. While the paper adopted the Nason and Cogley (1994) and Schorfheide (2000) models, it however, introduced export sector into the model with a view to capturing the transmission channel of terms of trade. The method of estimation is the Bayesian and the paper uses DYNARE codes (dyn_mat_v4). The results obtained in this study show that the Nigerian business cycle is driven by both real and nominal shocks.