GUILLERMO VERDUZCO-BUSTOS

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Prospects Group | World Bank Group | 1818 H St NW, Washington, DC 20433

EDUCATION

Ph.D. in Economics 2024
University of Notre Dame

M.A. in Economics 2020
University of Notre Dame

B.A. in Economics 2016
Centro de Investigación y Docencia Económicas (CIDE)

RESEARCH INTERESTS

Primary: Applied Time Series Econometrics, Commodity Markets, Energy Economics, Forecasting
Secondary: Macroeconomics, Monetary Policy

CURRENT POSITION

Economist 2023 – Present
Prospect Group
World Bank Group

PROFESSIONAL EXPERIENCE

Research Assistant, Department of Economics 2022 – 2023
Supervisors: Christiane Baumeister and Eric Sims
University of Notre Dame

Intern, Fund Internship Program June 2023 – August 2023
Research Department
International Monetary Fund

Short-term Consultant February 2022 – June 2022
Prospects Group
World Bank Group

Research Analyst / Economist 2016 – 2019
Directorate General of Economic Research
Central Bank of Mexico

Research Assistant, Department of Economics 2014 – 2016
Centro de Investigación y Docencia Económicas (CIDE)

TEACHING EXPERIENCE

University of Notre Dame

Full Instructor, Managerial Economics Fall 2022
Mendoza Business School (Evaluations 5/5)

Instructor, Tutorial Section for Statistics for Economics — Spring 2022
Department of Economics (Evaluations: 5/5)

Instructor, Tutorial Section for Statistics for Economics — Fall 2021
Department of Economics (Evaluations: 5/5)

Teaching Assistant, Principles of Microeconomics — Fall 2019 – Spring 2021

REFEREE ACTIVITY

Journal of Banking and Finance, Energy Economics, Journal of Commodity Markets, Energy Sources, Financial Innovation, Annals of Regional Science

REFEREED PUBLICATIONS

Unger-Saldaña, K., Ventosa-Santaulària, D., Miranda, A. & Verduzco-Bustos, G. (2018). *Barriers and Explanatory Mechanisms of Delays in the Patient and Diagnosis Intervals of Care for Breast Cancer in Mexico.* The Oncologist, 23(4), 440-453.

NON-REFEREED PUBLICATIONS

Baumeister, C., Ohnsorge, F., & Verduzco-Bustos, G. (2022). *Pandemic, War, Recession: Drivers of Aluminum and Copper Prices, Special Focus.* World Bank's Commodity Markets Outlook, October 2022

WORK IN PROGRESS

1. The Transmission of Oil Supply Shocks in Good and Bad Times (with Christiane Baumeister)

2. Drivers of Metal Price Fluctuations (with Christiane Baumeister and Franziska Ohnsorge)

3. Monetary Policy Transmission through Commodity Prices (with Andrea Pescatori, Jorge Miranda-Pinto, and Ervin Prifti)

4. Geopolitical Risk Premium and Oil Supply Shocks (with Francesco Zanetti)

SHORT COURSES

Barcelona Graduate School of Economics — July 2021
High-Dimensional Time Series Models I: Factor Models
Time Series Models for Macroeconomic Analysis II

Italian Econometric Association — June 2021
Financial Time Series and High Frequency Econometrics

International Monetary Fund — April-May 2018
Monetary and Fiscal Policy Analysis with DSGE Models

Centre for Latin American Monetary Studies & International Monetary Fund — September 2017
Advanced Macroeconomic Forecasting

AWARDS, GRANTS, AND FELLOWSHIPS

University of Notre Dame
Outstanding Graduate Student Instructor Award — Spring 2022
Graduate School Professional Development Award ($1,360.00) — Summer 2021

COMPUTER AND LANGUAGE SKILLS

Matlab, Dynare, Stata, Python, Julia (basic), R (basic), LaTeX
English (fluent), Spanish (native)

REFERENCES

Christiane Baumeister
Department of Economics
University of Notre Dame
Email: cbaumeis@nd.edu

Eric Sims
Department of Economics
University of Notre Dame
Email: esims1@nd.edu

Benjamin Pugsley
Department of Economics
University of Notre Dame
Email: bpugsley@nd.edu

WORK IN PROGRESS

The Transmission of Oil Supply Shocks in Good and Bad Times
(with Christiane Baumeister)

Abstract: In this paper we study whether the effects of oil supply shocks on US household consumption expenditures and prices are different during good and bad economic times. Using consumer confidence measures to define good and bad economic regimes, the paper empirically examines whether the transmission of oil supply shocks is different depending on the consumers' sentiment about current and future economic conditions at the moment in which the shock happens. Local Projection methods that allow for state dependence are used to test this hypothesis. Our results show that the economic consequences due to an oil supply shock are substantially stronger during bad times, where consumer confidence is low compared to good times, where consumer confidence is high. After an unexpected 10 percent increase in oil prices, there is a significant decrease in all the consumption expenditures categories and a significant increase in all price categories when this shock occurs during periods of low consumer confidence. However, these effects are small and not statistically significant when the adverse oil supply shock happens during periods with high consumer confidence.

Drivers of Aluminum and Copper Price Fluctuations
(with Christiane Baumeister and Franziska Ohnsorge)

Abstract: In this paper we identify the main drivers of aluminum and copper price fluctuations. To do this, we use a structural VAR model identified with a novel strategy that incorporates informative priors to identify a set of shocks to the copper and aluminum markets: supply, economic activity, consumption-demand, and inventory-demand shocks, and estimate their effects on copper and aluminum prices. We find that supply and economic activity shocks explain around two-thirds of the total variation in aluminum and copper prices on impact. The contribution of consumption- and inventory-demand shocks account together for about one-third of global metal price volatility on impact. However, at longer horizons, economic activity shocks are the single most important driver of copper and aluminum prices, accounting for 80 to 94 percent of the variance in these prices. Such a demand shock that raises copper or aluminum prices by 1 percent on impact would continue to put pressure on prices such that three quarters later, prices would be more than 7 percent higher before the effect begins to dissipate. We also conduct historical decompositions to study the contributions of the identified structural shocks to major global demand and supply events. Overall, the study provides insights into the sources and features of aluminum and copper price fluctuations, which can guide appropriate policy responses.