

Reproducibility workflow

To reproduce the simulations: Execute `runSim_v03.R` to run the main text simulations and `markupDependence_v01.R` for the mark-up dependence simulations, specifically. To have access to `lassoVAR.R` and `sqrtLassoVAR.R`, these scripts must be executed from the parent folder. Use `setwd("..")` to back up. When executed in a Linux environment, the script will automatically save the workspaces in the `simulations` folder. If a different environment is used, the workspace must be saved manually (via `save.image(...)`). The figures included in the paper arise from calling the scripts `createFigs_v07.R` and `markupDependenceFigs_v02.R` from their folder, which load the relevant workspaces from the `simulations` folder and produce figures in the `simulations/img` folder.

To reproduce the empirical illustration: Execute `FRED-MD_forecasting_v02.R` (from the parent folder via `setwd("../..")`) to conduct the forecasting exercise. The script loads the pre-processed data from the `application/FRED/data` folder and automatically saves the workspace (if in Linux). Run `FRED-MD_figures_v02.R` to produce the figures in the empirical illustration in the `application/FRED/img` folder.