*Article #1: The impact of oil prices on the U.S. economy*

This article seeks to show how the past oil shocks affect the economy(GDP) and recent oil prices. In order to support this claim, the 2008 Hamilton methodology of time series analysis was used. In this paper, the author compared “one-year-ahead forecasts of the model for different oil shocks, and estimate the path of GDP given the oil shock in the first quarter of 2011.” In this words, he used the past oil shocks data from first quarter of 2011 to predict GDP. The paper concluded that the oil price increase 14% growth in GDP. This paper used the data “Oil Shocks from 1949-2010 with the Major Oil Shocks Highlighted.” However, I was not able find the data online.

***Citation****: Bauch, Jacob H., " e Impact of Oil Prices on the U.S. Economy" (2011). CMC Senior eses. Paper 146. h p://scholarship.claremont.edu/cmc\_theses/146*

*Article #2: Oil shocks and the Macroeconomy: The Role of Price Variability\**

This article argue that change of oil prices would have bigger impact on real GNP in the stable oil prices environment than unstable oil prices environment. The 1983 Hamilton time series model was used in this article. The author used U.S. GNP data from 1948 and 1980. This article concluded that positive normalized shocks have great effect on growth GNP and negative normalized shocks do not.

***Citation:*** *Oil Shocks and the Macroeconomy: The Role of Price Variability Author(s): Kiseok Lee, Shawn Ni and Ronald A. Ratti*

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