The R code *ordinal-rdd.R* implements the procedure to estimate local treatment effects in a RDD with a ordinal running variable as proposed in: “A Regression Discontinuity Design for Ordinal Running Variables: Evaluating Central Bank Purchases of Corporate Bonds”, by Li F., Mercatanti A., Mäkinen T., Silvestrini A. The Annals of Applied Statistics. Forthcoming.

The proposal first estimates an ordered probit model for the ordinal running variable. The estimated probability of being assigned to treatment is then adopted as a latent continuous running variable and used to identify a covariate-balanced subsample around the threshold. An estimate of the effect of the program is obtained by employing a weighted estimator of the average treatment effect. Three weighting estimators—overlap weights, ATT weights and ATE weights—as well as their augmented versions are calculated.