

# Comments on Paper 2007-47

Dec.4

This is my comment on Discussion Paper 2007-47:

My basic question is about the choice of time span and the calendar times of data which they used in estimating the long-run relations. Did the authors check if there is ( or are ) some structural break(s) in the data set they chose? Are the characteristics of data stable enough to be used in the long-run model?

How did they decide on the period of the data set? What about sensitivity of their choice of horizon and calendar times? How sensitive are their findings with respect to the data set horizons and timing?

Looking at Fig. 1, the horizontal axis are marked in quarterly units? If so, the dynamic characteristics of their models do not seem to be shorter than the duration of their long-run data set. If this is correct, then the responses shown in Fig.1 seem to say that their data set used in estimating the long-run model is not long-enough?

The authors should address model sensitivity questions such as the ones mentioned above.

With these questions clarified the paper should be reviewed again.