



Applied Economics Letters >

Volume 20, 2013 - [Issue 3](#)

855 | 22 | 3  
Views | CrossRef citations to date | Altmetric

Original Articles

# Financial variables as leading indicators of GDP growth: Evidence from a MIDAS approach during the Great Recession

Laurent Ferrara & Clément Marsilli

Pages 233-237 | Published online: 29 May 2012

Cite this article <https://doi.org/10.1080/13504851.2012.689099>

Sample our  
Economics, Finance,  
Business & Industry Journals  
»> [Sign in here](#) to start your access  
to the latest two volumes for 14 days

Full Article

Figures & data

References

Citations

Metrics

Reprints & Permissions

Read this article

Share

## Abstract

The global economic recession, referred to as the Great Recession, endured by the main industrialized countries during the period 2008-09, in the wake of the financial and banking crises, has pointed out the current importance of the financial sector in macroeconomics. In this article, we evaluate the predictive power of some major financial variables to anticipate GDP growth in euro area countries during this specific period of time. In this respect, we implement a Mixed Data Sampling (MIDAS)-based modelling approach, put forward by Ghysels et al. (2007), that enables to forecast quarterly Gross Domestic Product (GDP) growth rates using exogenous variables sampled at higher frequencies. Empirical results show that, overall, stock prices help to improve the accuracy of GDP forecasts by comparison with a standard opinion survey variable, whereas oil prices and term spread appear to be less informative.

The views expressed herein are those of the authors and do not necessarily reflect those of the Banque de France.

Keywords:

Great Recession   forecasting   financial variables   MIDAS approach

JEL Classification:

C2   C5   E3

## Notes

The views expressed herein are those of the authors and do not necessarily reflect those of the Banque de France.

## Related research

People also read

Recommended articles

Cited by  
22

## Information for

Authors

R&D professionals

Editors

Librarians

Societies

## Opportunities

Reprints and e-prints

Advertising solutions

Accelerated publication

Corporate access solutions

## Open access

Overview

Open journals

Open Select

Dove Medical Press

F1000Research

## Help and information

Help and contact

Newsroom

All journals

Books

## Keep up to date

Register to receive personalised research and resources  
by email

 Sign me up

  

  

Copyright © 2026 Informa UK Limited [Privacy policy](#) [Cookies](#) [Terms & conditions](#)

[Accessibility](#)

 Taylor and Francis Group

Registered in England & Wales No. 01072954  
5 Howick Place | London | SW1P 1WG