Abstract structure:

**Title**

**Authors**

**A B S T R A C T**

**1. Objective**

**2. Research Design & Methods**

**3. Findings**

**4.Implications & Recommendations**

**5. Contribution & Value Added**

**Keywords:** at least three

**JEL codes:** at least three

**Abstract Example**

**Aggregate Demand Disturbances in the Visegrad Group and the Eurozone**

**John Smith, Mary Jones**

**A B S T R A C T**

**Objective**: The main goal of the paper is to evaluate, in a comparative manner,

the degree of similarities in aggregated demand disturbances in the Visegrad Group

(the Czech Republic, Hungary, Poland and Slovakia, collectively: V4) and the Eurozone

economies from 1995 to 2013.

**Research Design & Methods**: The underlying demand disturbances are extracted

using the structural vector auto-regression (SVAR) model with the long-run

restrictions. The identification scheme is based on the theoretical aggregate supply aggregate

demand (AS-AD) model. The obtained approximations of unobservable

demand shocks are then used to infer on their correlation structures.

**Findings:** The demand shocks among the four economies are described by the highest

correlation among all chosen sub-samples. The dynamic approach revealed that the

synchronization of the demand shocks in the V4 Group was stronger even when

compared to the EMU core. The adjustments to the demand shocks in the V4

countries are relatively flexible and these economies converge to long-run equilibria

at a fast pace.

**Implications & Recommendations:** The V4 countries fulfil substantial criteria of an

optimum currency area and could benefit from adoption of a single currency, as well

as a common monetary policy.

**Contribution & Value Added:** This comparative empirical study brings evidence on

the similarities in aggregate demand shocks within the V4 and EMU countries.

**Article type:** research paper

**Keywords:** optimum currency area; economic shocks; SVAR; Visegrad Group

**JEL codes:** E32, F15, F44, C32