Readme for Data Files for "Green Expectations: Current Effects of Anticipated Carbon Pricing"

Prepared by Derek Lemoine for the Review of Economics and Statistics

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The file "lemoine_greenexpects_estimation.zip" contains the do files and data files (all written for Stata 12 on Windows 7) for reproducing the tables in the main text and appendix. Unzip all of the zip file's contents to a single directory, currently named "yourdirectory" in the do files.

The four do files are in the top directory (i.e., "yourdirectory"). The main do file is "estimation_event." This do file runs the regressions reported in the main text and also runs the regressions in the appendix that test the event's effect on natural gas futures. The other three do files run regressions from the appendix that use monthly data to test the channel through which anticipation effects arise: "coalcons" tests how coal consumption responds to the event month, "coalprod" tests how coal extraction responds to the event month, and "coalstocks" tests how coal storage responds to the event month.

The "data" subdirectory contains self-explanatory .dta files. The dependent variables from the main regressions are in "data\contracts", with each file corresponding to a single futures contract (labeled using the conventional abbreviations for months) and with the "re"xxx variables being log returns. "QL" is the coal contract, and "NG" is the natural gas contract. "CL" is the crude oil contract used as a covariate.

The other covariates are stored as dta files in "data\covars". These covariates include the Baltic Dry Index ("BDI.dta"), the S&P 500 stock index ("SP.dta"), the 3-month London Interbank Offer Rate ("Lib.dta"), the Thomson Reuters/Jeffries CRB Index ("CR.dta"), and the 10-year U.S. Treasury rate ("Tnote10.dta").

The "logs" subdirectory contains the log files from running the do files.

The "output" subdirectory contains the output from running the do files. This output includes .dta files, text files, and TeX files.