

Successful Replication of Thornton's (2000) JMCB

Article

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As part of a paper in which McCullough *et al.* (2003) investigate the *The Journal of Money, Credit, and Banking* (hereafter, the JMCB) mandatory data/code archive, each author attempted replication of an archived article in the May 2000 issue of the JMCB.¹ Thornton's article, published in the JMCB May 2000 issue, examines how greater transparency in monetary policy affects the market. He finds that the market responds more consistently when the reasons for policy changes are announced. After obtaining data and code from the JMCB archive, I successfully replicated Thornton's results and am able to confirm his findings.

In order to run Thornton's code, I made a few modifications to the data and code. First, all code, data, and instructions were included in the same readme file. This file was broken into code and data components. The original SAS code called a SAS dataset, but the data provided was in ASCII format. In addition, the data were called from a directory specific to the author's computer. After altering the directory address, I loaded the data using comments and variable names provided in the readme file and code respectively. After these changes, the code successfully ran and duplicated all of the results presented in the paper.

¹This issue was the only issue where all archived articles were replicable. See McCullough *et al.* (2003) for more details.

References

- [1] McCullough, B.D., K.A. McGeary, T.D. Harrison (2003), “Lessons from the JMCB Data/Code Archive,” unpublished manuscript, Drexel University, LeBow College of Business, Philadelphia, PA 19104.

- [2] Thornton, Daniel L. (2000), “Lifting the Veil of Secrecy from Monetary Policy: Evidence from the Fed’s Early Discount Rate Policy,” *The Journal of Money, Credit, and Banking*, 32(2), 155-167.