

## ESCB Research Cluster on Monetary Economics Third Annual Workshop

Bank of England, London, 31 October – 1 November 2019

### PROGRAMME

Thursday 31 October 2019

13:00 **Welcome & Registration**

13:25 **Introductory remarks**

#### *Session 1: Strategies in a low interest rate environment*

13:30 **State-dependent forward guidance, asset purchases and fiscal policy in a low-interest-rate environment**

Günter Coenen (European Central Bank), Carlos Montes-Galdón and Frank Smets

Discussant: Magali Marx (Banque du France)

14:10 **Expectations-driven liquidity traps: implications for monetary and fiscal policy**

Taisuke Nakata and Sebastian Schmidt (European Central Bank)

Discussant: Paolo Bonomolo (De Nederlandsche Bank)

14:50 **A large central bank balance sheet?**

Óscar Arce, Galo Nuño, Dominik Thaler (Banco de España) and Carlos Thomas

Discussant: Alessandro Notarpietro (Banca d'Italia)

15:30 **Coffee**

#### *Session 2: Expectation formation and monetary policy*

16:00 **Sparse restricted perception equilibrium**

Volha Audzei (Česká národní banka) and Sergey Slobodyan

Discussant: Nigel McClung (Suomen Pankki)

16:40 **Assessing reliability of aggregated inflation views in the European Commission Consumer Survey**

Ewa Stanisławska, Maritta Paloviita (Suomen Pankki) and Tomasz Łyziak

Discussant: Olga Goldfayn-Frank (Deutsche Bundesbank)

17:20 **Is euro area lowflation here to stay? Insights from a time-varying parameter model with survey data**

Arnoud Stevens (National Bank of Belgium) and Joris Wauters

Discussant: Adriana Grasso (Banca d'Italia)

18:00 **Adjourn**

18:15 **Reception & Dinner (by invitation only)**

**Friday 1 October 2019**

### **Session 3: Monetary policy transmission**

09:00 **Is there a zero lower bound? The effects of negative policy rates on banks and firms**

Carlo Altavilla, Lorenzo Burlon (European Central Bank), Mariassunta Giannetti and Sarah Holton

Discussant: Martin Mandler (Deutsche Bundesbank)

09:40 **State dependence of monetary policy across business, credit and interest rate cycles**

Sami Alpanda, Eleonora Granziera (Suomen Pankki) and Sarah Zubairy

Discussant: Lenno Uusküla (Eesti Pank)

10:20 **Effects of QE on sovereign bond spreads through the safe asset channel**

Jan Willem van den End (De Nederlandsche Bank)

Discussant: Maria Valderrama (Oesterreichische Nationalbank)

11:00 **Coffee**

### **Keynote speech**

11:30 **Stock market's assessment of monetary policy transmission: the cash flow effect**

Refet Gürkaynak (Bilkent University)

12:30 **Lunch**

### **Session 4: The role of heterogeneity**

13:30 **Aging, wealth distribution and monetary policy**

Zeynep Kantur and Ludmila Fadejeva (Latvijas Banka)

Discussant: Paola Di Casola (Sveriges Riksbank)

14:10 **Distributional consequences of conventional and unconventional monetary policy**

Marcin Bielecki (Narodowy Bank Polski), Michał Brzoza-Brzezina and Marcin Kolasa

Discussant: Rana Sajedi (Bank of England)

14:50 **Corporate leverage and monetary policy effectiveness in the euro area**

Simone Auer, Marco Bernardini (Banca d'Italia) and Martina Cecioni

Discussant: Angus Foulis (Bank of England)

15:30 ***Coffee***

***Session 5: Monetary policy and welfare***

15:30 **Gains from wage flexibility and the zero lower bound**

Jordi Galí and Roberto Billi (Sveriges Riksbank)

Discussant: Michael Kumhof (Bank of England)

16:15 **Does monetary policy makes you happy?**

Philip Bunn (Bank of England), Andrew Haldane and Alice Pugh

Discussant: Michele Lenza (European Central Bank)

17:00 ***Closing remarks***