

ESCB Research Cluster on Monetary Economics Second Annual Workshop

Rome, 11-12 October 2018
Venue: Bank of Italy, via Nazionale 91, Rome

Programme

Thursday, 11 October

8:30 - 9:00 *Registration*

9:00 - 9:05 **Welcome address:** Stefano Siviero (Head, Economic Outlook and Monetary Policy Directorate, Banca d'Italia)

Session 1: Determinants and effects of low interest rates

Chair: Alessandro Secchi (Banca d'Italia)

9:05 – 9:50 **The rise and fall of the natural interest rate**

Gabriele Fiorentini (Università di Firenze), **Alessandro Galesi** (Banco de España), Gabriel Pérez-Quirós (Banco de España) and Enrique Sentana (CEMFI)

Discussant: Rana Sajedi (Bank of England)

9:50 - 10:35 **Monetary policy in the euro area and banks' retail margins**

Melanie Klein (Deutsche Bundesbank) and Sebastian Bredl (Deutsche Bundesbank)

Discussant: Anna Samarina (De Nederlandsche Bank)

10:35 - 11:20 **Credit risk taking and maturity mismatch: the role of the yield curve**

Giuseppe Ferrero (Banca d'Italia), **Andrea Nobili** (Banca d'Italia) and Gabriele Sene (Banca d'Italia)

Discussant: Peter Bednarek (Deutsche Bundesbank)

11:20 - 11:45 *Coffee break*

- 11:45 - 12:30 **Adapting lending policies when negative interest rates hit banks' profits**
 Oscar Arce (Banco de España), Miguel García Posada (ECB), **Sergio Mayordomo** (Banco de España) and Steven Ongena (University of Zurich, Swiss Finance Institute, KU Leuven and CEPR)
Discussant: Ugo Albertazzi (ECB)
- 12:30 - 13:15 **Negative policy rates and bank asset allocation: evidence from the Italian credit and security registers**
Margherita Bottero (Banca d'Italia), Camelia Minoiu (IMF and Wharton-UPenn), José-Luis Peydró (ICREA-UPF, Barcelona GSE, CREI and CEPR), Andrea Polo (UPF, Barcelona GSE and CEPR), Andrea F. Presbitero (IMF and Money & Finance Research) and Enrico Sette (Banca d'Italia)
Discussant: Martijn Boermans (De Nederlandsche Bank)
- 13:15 - 14:15 *Lunch*
- 14:15 - 15:15 **Keynote talk:** Mirko Wiederholt (Sciences Po, Paris)
- Session 2: Monetary policy and financial markets**
 Chair: Bernardino Adão (Banco de Portugal)
- 15:15 - 16:00 **Money and capital in a persistent liquidity trap**
 Philippe Bacchetta (University of Lausanne, Swiss Finance Institute and CEPR), Kenza Benhima (University of Lausanne and CEPR) and **Yannick Kalantzis** (Banque de France)
Discussant: Mario Pietrunti (Banca d'Italia)
- 16:00 - 16:45 **Interbank money markets and monetary policy implementation**
 Thibaut Piquard (Banque de France and Paris School of Economics) and **Dilyara Salakhova** (Banque de France)
Discussant: Jean-David Sigaux (ECB)
- 16:45 - 17:00 *Coffee break*
- 17:00 - 17:45 **Conditional exchange rate pass-through: evidence from Sweden**
 Vesna Corbo (Sveriges Riksbank) and **Paola Di Casola** (Sveriges Riksbank)
Discussant: Alessandro Notarpietro (Banca d'Italia)

- 17:45 - 18:30 **Quantitative easing and the price-liquidity trade-off**
Marien Ferdinandusse (ECB), Maximilian Freier (ECB) and Annukka Ristiniemi (Sveriges Riksbank)
Discussant: Kostas Mavromatis (De Nederlandsche Bank)
- 20:00 *Conference dinner (by invitation only)*

Friday, 12 October

Session 3: Monetary policy and uncertainty

Chair: Carlos Thomas (Banco de España)

- 9:00 - 9:45 **Confidence cycles and liquidity hoarding**
Volha Audzei (Czech National Bank and CERGE – EI)
Discussant: Pawel Kopiec (Narodowy Bank Polski)
- 9:45 - 10:30 **Sticky expectations and consumption dynamics**
Christopher D. Carroll (Johns Hopkins University), Edmund Crawley (Johns Hopkins University), **Jiri Slacalek** (ECB), Kiichi Tokuoka (Ministry of Finance, Japan) and Matthew N. White (University of Delaware)
Discussant: Lenno Uusküla (Eesti Pank)
- 10:30 - 11:15 **Benefits of gradualism or costs of inaction? Monetary policy in times of uncertainty**
Giuseppe Ferrero (Banca d'Italia), Mario Pietrunti (Banca d'Italia) and **Andrea Tiseno** (Banca d'Italia)
Discussant: Stefan Laseen (Sveriges Riksbank)

11:15 - 11:45 *Coffee break*

11:45 - 12:45 **Keynote talk:** Pierpaolo Benigno (Università LUISS Guido Carli, Rome)

12:45 - 13:45 *Lunch*

Session 4: Monetary, fiscal and financial policies

Chair: Niki Papadopoulou (Central Bank of Cyprus)

- 13:45 - 14:30 **Implicit fiscal guarantee for monetary stability**
Gaetano Gaballo (Banque de France, Paris School of Economics and CEPR) and Eric Mengus (HEC Paris)
Discussant: Jim Costain (ECB)

- 14:30 - 15:15 **Monetary and macro prudential policies in a low interest-rate environment**
Jack Chen (IMF), **Daria Finocchiaro** (Sveriges Riksbank), Jesper Linde (Sveriges Riksbank) and Karl Walentin (Sveriges Riksbank)
Discussant: Lorenzo Burlon (ECB)
- 15:15 - 15:30 *Coffee break*
- 15:30 - 16:15 **Bank recapitalizations, credit supply and the transmission of monetary policy**
Mark Mink (De Nederlandsche Bank) and Sebastiaan Pool (De Nederlandsche Bank)
Discussant: Caterina Mendicino (ECB)
- 16:15 - 17:00 **Empowering central bank asset purchases: the role of financial policies**
Matthieu Darracq Pariès (ECB), Jenny Körner (ECB) and Niki Papadopoulou (Central Bank of Cyprus)
Discussant: Michael Kumhof (Bank of England)

Organisers: Alessandro Secchi (Banca d'Italia) and Carlos Thomas (Banco de España), coordinators of the ESCB Research Cluster on Monetary Economics.