



24th CENTRAL BANK MACROECONOMIC MODELING WORKSHOP

October 13 - 15, 2021 · Santiago, Chile

Online through Zoom. All times are in GMT-3 (Santiago, Chile)

All sessions will be conducted in English

Wednesday, October 13

08.15 - 08.25

Opening remarks

Mario Marcel, Governor, Central Bank of Chile

SESSION 1A:

Financial markets

Chair: **Daniel L. Greenwald**, MIT Sloan School of Management

08.30 - 09.00

[“Procyclical Leverage and Crisis Probability in a Macroeconomic Model of Bank Runs”](#)

Daisuke Ikeda, Bank of Japan

Hidehiko Matsumoto, Bank of Japan

09.00 - 09.30

[“Distributional Effects of Bank Equity Losses”](#)

Caterina Mendicino, European Central Bank

Lukas Nord, European University Institute

Marcel Peruffo, Brown University

09.30 - 10.00

[“Where there is amplification, there are sunspots”](#)

Paymon Khorrami, Imperial College

Fernando Mendo, Central Bank of Chile

10.00 - 10.30

[“The Credit Line Channel”](#)

Daniel L. Greenwald, MIT Sloan School of Management

John Krainer, Board of Governors of the Federal Reserve

Pascal Paul, Federal Reserve Bank of San Francisco

10.30 - 11.00

Buffer / Break

SESSION 1B:

Macroeconomics I (Phillips curve)

Chair: **Pablo Burriel**, Banco de España

[“The Inflation Rate Disconnect Puzzle: On the International Component of Trend Inflation and the Flattening of the Phillips Curve”](#)

Guido Ascari, De Nederlandsche Bank

Luca Fosso, University of Pavia

[“Anchored Inflation Expectations and the Slope of the Phillips Curve”](#)

Peter Lihn Jørgensen, Copenhagen Business School

Kevin J. Lansing, Federal Reserve Bank of San Francisco

[“Flattening of the Phillips Curve and the Mandate of the Central Bank”](#)

Jean-Paul L’Huillier, Brandeis University

Gregory Phelan, Williams College

William R. Zame, UCLA

[“Market Polarization and the Phillips Curve”](#)

Javier Andrés, Universidad de Valencia

Óscar Arce, Banco de España

Pablo Burriel, Banco de España

SESSION 1C:

International dimensions of Monetary and fiscal Policy

Chair: **Marine Charlotte André**, Banco de México

[“Quantitative Easing in the US and Financial Cycles in Emerging Markets”](#)

Marcin Kolasa, SGH Warsaw School of Economics and IMF

Grzegorz Wesołowski, Narodowy Bank Polski

[“Fiscal policy, international spillovers, and endogenous productivity”](#)

Mathias Klein, Sveriges Riksbank

Ludger Linnemann, TU Dortmund University

[“Monetary Policy in Small Open Economies and the International Zero Lower Bound”](#)

Marco Rojas, University of Michigan

[“Forward Guidance in an Advanced Small Open Economy in the Effective Lower Bound”](#)

Marine Charlotte André, Banco de México

Guido Traficante, Università Europea di Roma

Wednesday, October 13

SESSION 2A:

Monetary policy and financial stability

Chair: **Mai Hakamada**, University of California, Santa Cruz

11.00 - 11.30

[“The Tipping Point: Low Rates and Financial Stability”](#)

Davide Porcellacchia, European Central Bank

11.30 - 12.00

[“Monetary and Macroprudential Policies under Dollar-Denominated Foreign Debt”](#)

Hidehiko Matsumoto, National Graduate Institute for Policy Studies

12.00 - 12.30

[“Risk Taking, Banking Crises, and Macroprudential Monetary Policy”](#)

Mai Hakamada, University of California, Santa Cruz

12.30 - 12.45

Buffer / Break

12.45 - 13.45

Keynote Speech: “Skewed Business Cycles: International Evidence on Workers and Firms”

Fatih Guvenen, University of Minnesota

Chair: **Andrés Fernández**, Central Bank of Chile

13.45 - 14.00

Buffer / Break

SESSION 3A:

Monetary Policy

Chair: **Markus Haavio**, Bank of Finland

14.00 - 14.30

[“The Power of Open-Mouth Policies”](#)

Vadym Lepetyuk, Bank of Canada

Lilia Maliar, City University of New York

Serguei Maliar, Santa Clara University

John B. Taylor, Stanford University

SESSION 2B:

Pandemics and Economics

Chair: **Gerardo Ferrara**, Bank of England

“The Covid-19 Crisis and Consumption: Survey Evidence from Six EU Countries”

Dimitris Christelis, University of Glasgow

Dimitris Georgarakos, European Central Bank

Tullio Jappelli, University of Naples Federico II

Geoff Kenny, European Central Bank

[“Market Size, Innovation, and the Economic Effects of an Epidemic”](#)

Domenico Ferraro, Arizona State University

Pietro F. Peretto, Duke University

[“The COVID-19 Auction Premium”](#)

Gerardo Ferrara, Bank of England

Maria Flora, University of Verona

Roberto Renò, University of Verona

SESSION 3B:

Forecasting/Nowcasting

Chair: **Eva Van Leemput**, Federal Reserve Board

[“Back to the Present: Learning about the Euro Area through a Now-casting Model”](#)

Danilo Cascaldi-Garcia, Federal Reserve Board

Thiago R.T. Ferreira, Federal Reserve Board

Domenico Giannone, Amazon.com

Michele Modugno, Federal Reserve Board

SESSION 2C:

Economic policy and heterogeneity

Chair: **Myroslav Pidkuyko**, Banco de España

[“Monetary Policy and Redistribution in Open Economies”](#)

Xing Guo, Bank of Canada

Pablo Ottonello, University of Michigan and NBER

Diego J. Perez, New York University and NBER

[“Inequality and the Zero Lower Bound”](#)

Jesús Fernández-Villaverde, U. of Pennsylvania, NBER and CEPR

Joël Marbet, CEMFI

Galo Nuño, Banco de España

Omar Rachedi, ESADE Business School, Universitat Ramon Llull

[“Marginal Tax Changes with Risky Investment”](#)

Patrick Macnamara, University of Manchester

Myroslav Pidkuyko, Banco de España

Raffaele Rossi, University of Manchester

SESSION 3C:

Predictive distributions and risk

Chair: **Francesca Loria**, Federal Reserve Board

[“Foreign Vulnerabilities, Domestic Risks: The Global Drivers of GDP-at-Risk”](#)

Simon Lloyd, Bank of England

Ed Manuel, Bank of England

Konstantin Panchev, University of Oxford

Wednesday, October 13

14.30 - 15.00

[“Risk-Taking, Capital Allocation and Optimal Monetary Policy”](#)
Joel M. David, Federal Reserve Bank of Chicago
David Zeke, USC

[“Real-Time Weakness of the Global Economy”](#)
Danilo Leiva-Leon, Banco de España
Gabriel Perez-Quiros, European Central Bank and CEPR
Eyno Rots, Magyar Nemzeti Bank

[“Uncovering the heterogenous effects of shocks to inflation expectations”](#)
Evi Pappa, Universidad Carlos III de Madrid and CEPR
Sebastian Rast, European University Institute
Alejandro Vicondoa, Pontificia Universidad Católica de Chile

15.00 - 15.30

[“The Micro-level Price Response to Monetary Policy”](#)
Almut Balleer, RWTH Aachen University and IIES Stockholm
Peter Zorn, University of Munich and CESifo

[“Macroeconomic Predictions using Payments Data and Machine Learning”](#)
James T.E. Chapman, Bank of Canada
Ajit Desai, Bank of Canada

[“Understanding Growth-at-Risk: A Markov-Switching Approach”](#)
Dario Caldara, Federal Reserve Board
Danilo Cascaldi-Garcia, Federal Reserve Board
Pablo Cuba-Borda, Federal Reserve Board
Francesca Loria, Federal Reserve Board

15.30 - 16.00

[“Reading between the lines – Using text analysis to estimate the loss function of the ECB”](#)
Maritta Paloviita, Bank of Finland
Markus Haavio, Bank of Finland
Pirkka Jalasjoki, Bank of Finland
Juha Kilponen, Bank of Finland
Ilona Vänni, Bank of Finland

[“The Hidden Dragon: China's Contribution to the Global Cycle”](#)
William L. Barcelona, Federal Reserve Board
Danilo Cascaldi-Garcia, Federal Reserve Board
Jasper J. Hoek, Federal Reserve Board
Eva Van Leemput, Federal Reserve Board

[“Inflation at Risk”](#)
David López-Salido, Federal Reserve Board
Francesca Loria, Federal Reserve Board



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08.20 - 08.30

Opening

SESSION 4A:

Labor markets

Chair: **Martin Kuncil**, Bank of Canada

08.30 - 09.00

[“Job Mobility Within and Across Occupations”](#)

Attila Gyetvai, Duke University and IZA

09.00 - 09.30

[“Estimating Hysteresis Effects”](#)

Francesco Furlanetto, Norges Bank and BI Norwegian Business School

Antoine Lepetit, Board of Governors of the Federal Reserve System

Orjan Robstad, Norges Bank

Juan Rubio-Ramírez, Emory University and FRB of Atlanta

Pal Ulvedal, Norges Bank

09.30 - 10.00

“Ten Days Late and Billions of Dollars Short: The Employment Effects of Delays in Paycheck Protection Program Financing”

Cynthia L. Doniger, Federal Reserve Board

Benjamin Kay, Federal Reserve Board

10.00 - 10.30

[“Monetary policy and the persistent aggregate effects of wealth redistribution”](#)

Martin Kuncil, Bank of Canada

Alexander Ueberfeldt, Bank of Canada

10.30 - 11.00

Buffer / Break

SESSION 4B:

QE

Chair: **Robert Goodhead**, Central Bank of Ireland

[“When domestic and foreign QE overlap: evidence from Sweden”](#)

Paola Di Casola, ECB and Sveriges Riksbank

Pär Stockhammar, Sveriges Riksbank

“Monetary policy options in a ‘low for long’ era”

Richard Harrison, Bank of England

Martin Seneca, Bank of England

Matt Waldron, Bank of England

“The effect of forward guidance on Euro Area Economic activity in a DSGE model with interest rate expectations”

Gregory de Walque, National Bank of Belgium

Thomas Lejeune, National Bank of Belgium

Ansgar Rannenberg, National Bank of Belgium

[“The Economic Impact of Yield Curve Compression: Evidence from Euro Area Forward Guidance and Unconventional Monetary Policy”](#)

Robert Goodhead, Central Bank of Ireland

SESSION 4C:

Monetary Policy

Chair: **Hervé Le Bihan**, Banco de España and Banque de France

[“On Robustness of Average Inflation Targeting”](#)

Seppo Honkapohja, Aalto University School of Business

Nigel McClung, Bank of Finland

[“Zombies on the Brink: Evidence from Japan on the Reversal of Monetary Policy Effectiveness”](#)

Gee Hee Hong, IMF

Deniz Igan, IMF

Do Lee, New York University

[“Raising the Inflation Target: What Are the Effective Gains in Policy Room?”](#)

Jean-Paul L’Huillier, Brandeis University

Raphael Schoenle, Brandeis University and FRB of Cleveland

[“Inflation Tolerance Ranges in the New Keynesian Model”](#)

Hervé Le Bihan, Banco de España and Banque de France

Magali Marx, Banque de France

Julien Matheron, Banque de France

Thursday, October 14

SESSION 5A:
Economic Policy in times of Covid-19
Chair: **Anna Rogantini Picco**, Sveriges Riksbank

11.00 - 11.30

[“The COVID-19 shock and a fiscal-monetary policy mix in a monetary union”](#)
Anna Bartocci, Bank of Italy
Alessandro Notarpietro, Bank of Italy
Massimiliano Pisani, Bank of Italy

11.30 - 12.00

“The term structure of interest rates in a heterogeneous monetary union”
James Costain, Banco de España
Galo Nuño, Banco de España
Carlos Thomas, Banco de España

12.00 - 12.30

“Who Is Afraid of Eurobonds?”
Francesco Bianchi, Duke University, CEPR and NBER
Leonardo Melosi, FRB of Chicago, European University Institute, and CEPR
Anna Rogantini Picco, Sveriges Riksbank

12.30 - 12.45

Buffer / Break

12.45 - 13.45

Keynote Speech: “Safe Assets, Fiscal Debt Sustainability and Inflation”
Markus Brunnermeier, Princeton University
Chair: **Joaquín Vial**, Vice-Governor, Central Bank of Chile

13.45 - 14.00

Buffer / Break

SESSION 6A:
Monetary policy transmission
Chair: **Mishel Ghassibe**, University of Oxford

14.00 - 14.30

[“Imperfect Pass-Through to Deposit Rates and Monetary Policy Transmission”](#)
Alberto Polo, Bank of England and CfM (LSE)

SESSION 5B:
ZLB
Chair: **Michaela Elfsbacka Schmöller**, Bank of Finland

[“Understanding Persistent ZLB Theory and Assessment”](#)
Pablo Cuba-Borda, Federal Reserve Board
Sanjay R. Singh, University of California Davis

[“Estimating Shadow Policy Rates in a Small Open Economy and the Role of Foreign Factors”](#)
Jorge Fornero, Central Bank of Chile
Markus Kirchner, Central Bank of Chile
Carlos Molina, Central Bank of Chile

[“Lower-for-longer under Endogenous Technology Growth”](#)
Michaela Elfsbacka Schmöller, Bank of Finland
Martin Spitzer, European Central Bank

Papers: [FTPL with a Bubble](#) Debt as Safe Asset

SESSION 6B:
Monetary policy and labor markets
Chair: **Farzad Saidi**, University of Bonn and CEPR

[“Monetary Policy and the Wage Inflation-Unemployment Tradeoff”](#)
Ricardo Duque Gabriel, University of Bonn

SESSION 6C:
Capital flows
Chair: **Jingxian Hu**, Boise State University

[“Capital Flow Management Measures and Dollarization”](#)
Eugenia Andreasen, University of Chile
Victoria Nuguer, Inter-American Development Bank

Thursday, October 14

“Beyond Zero: Are Policy Rate Cuts Still Expansionary”
Caterina Mendicino, European Central Bank
Federico Puglisi, Northwestern University
Dominik Supera, University of Pennsylvania

“[Endogenous Production Networks and Non-Linear Monetary Transmission](#)”
Mishel Ghassibe, University of Oxford

“A tail of labor supply and a tale of monetary policy”
Cristiano Cantore, Bank of England and University of Surrey
Filippo Ferroni, Federal Reserve Bank of Chicago
Haroon Mumtaz, Queen Mary, University of London
Angeliki Theophilopoulou, Brunel University London

“[Credit Supply, Firms, and Earnings Inequality](#)”
Christian Moser, Columbia University, FRB of Minneapolis, and CEPR
Farzad Saidi, University of Bonn and CEPR
Benjamin Wirth, Bavarian State Office for Statistics
Stefanie Wolter, Institute for Employment Research (IAB)

“[How does international capital flow?](#)”
Michael Kumhof, Bank of England
Phurichai Rungcharoenkitkul, Bank for International Settlements
Andrej Sokol, European Central Bank

“[Interest Rates and Asset Prices under Financial Liberalization](#)”
Jingxian Hu, Boise State University



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08.20 - 08.30

Opening

SESSION 7A:

Monetary policy in open economies

Chair: **Massimo Ferrari**, European Central Bank

08.30 - 09.00

[“Asset Purchases as a Remedy for the Original Sin Redux”](#)

Yasin Mimir, Norges Bank

Enes Sunel, OECD

09.00 - 09.30

“Sterilized FX Interventions: Benefits and Risks”

Santiago Camara, Northwestern University

Lawrence Christiano, Northwestern University

Hüsni Dalgic, University of Mannheim

09.30 - 10.00

“No country is an island”

Massimo Ferrari, European Central Bank

Maria Sole Pagliari, Banque de France

10.00 - 10.30

10.30 - 11.00

Buffer / Break

SESSION 7B:

Expectations

Chair: **Pierre De Leo**, University of Maryland

[“Incorporating Diagnostic Expectations into the New Keynesian Framework”](#)

Jean-Paul L’Huillier, Brandeis University

Sanjay R. Singh, University of California Davis

Donghoon Yoo, Osaka University

[“What Matters in Households’ Inflation Expectations?”](#)

Philippe Andrade, Federal Reserve Bank of Boston

Erwan Gautier, Banque de France

Eric Mengus, HEC Paris and CEPR

[“Would Households Understand Average Inflation Targeting?”](#)

Mathias Hoffmann, Deutsche Bundesbank

Emanuel Mönch, Deutsche Bundesbank, Goethe University Frankfurt

Lora Pavlova, Deutsche Bundesbank, Karlsruhe Institute of Technology

Guido Schultefrankenfeld, Deutsche Bundesbank Research Centre

[“Imperfect Exchange Rate Expectations”](#)

Giacomo Candian, HEC Montréal

Pierre De Leo, University of Maryland

SESSION 7C:

Monetary policy communication

Chair: **Can Sever**, IMF

[“Beyond the Yield Curve: Understanding the Effect of FOMC Announcements on the Stock Market”](#)

Christoph E. Boehm, UT Austin

Niklas Kroner, UT Austin

[“Communication, Information and Inflation Expectations”](#)

Fernando Borraz, Banco Central del Uruguay

Miguel Mello, Banco Central del Uruguay

[“Disagreement among FOMC members: Insights from Tone Analysis”](#)

Hamza Bennani, Université Paris Nanterre

Davide Romelli, Trinity College Dublin

[“Effects of Emerging Market Asset Purchase Program Announcements on Financial Markets During the COVID-19 Pandemic”](#)

Can Sever, IMF

Rohit Goel, IMF

Dimitris Drakopoulos, IMF

Evan Papageorgiou, IMF

Friday, October 15

SESSION 8A:
Credit and savings policy

Chair: **Carlos Madeira**, Central Bank of Chile

[“Unconventional Credit Policy in an Economy with Supply and Demand Credit Frictions”](#)

Jorge Pozo, Central Reserve Bank of Peru

Youel Rojas, Universitat Pompeu Fabra and Central Reserve Bank of Peru

“Optimal Design of Funding for Lending Programs”

David M. Arseneau, Federal Reserve Board

David E. Rappoport, Federal Reserve Board

[“The impact of the Chilean pension reforms on the savings rate”](#)

Carlos Madeira, Central Bank of Chile

Buffer / Break

Round Table: Communication of future paths of monetary policy rate

Chair: **Douglas Laxton**, The Better Policy Project

Invited panelists: **Pablo García**, Central Bank of Chile; **David Archer**, Bank of International Settlements; **Tomas Holub**, Czech National Bank

Buffer / Break

SESSION 9A:
Business cycles

Chair: **Alistair Macaulay**, University of Oxford

[“Technology news, creative destruction and economic fluctuations”](#)

Paola Di Casola, Sveriges Riksbank

Spyridon Sichlimiris, Sveriges Riksbank

SESSION 8B:
Sovereign debt

Chair: **Juan Passadore**, EIEF

[“Uncertainty Premia, Sovereign Default Risk, and State-Contingent Debt”](#)

Francisco Roch, IMF

Francisco Roldán, IMF

[“Taming Debt: Can GDP-Linked Bonds Do the Trick?”](#)

Sarah Mouabbi, Banque de France

Jean-Paul Renne, University of Lausanne

Jean-Guillaume Sahuc, Banque de France

[“Debt-Maturity Management with Liquidity Costs”](#)

Saki Bigio, UCLA

Galo Nuño, Banco de España

Juan Passadore, EIEF

SESSION 9B:
Firm heterogeneity

Chair: **Jurica Zrnc**, Croatian National Bank and University of Vienna

“Crossing the Credit Channel: Credit Spreads and Firm Heterogeneity”

Gareth Anderson, IMF and University of Oxford

Ambrogio Cesa-Bianchi, Bank of England, CEPR and CFM

SESSION 8C:
Liquidity

Chair: **Lorenzo Carbonari**, Università di Roma, Tor Vergata

“A Sparse Measure of Liquidity, and the Impact of Monetary Policy”

Garo Garabedian, Central Bank of Ireland

“Dollar Shortages and Central Bank Swap Lines”

Fernando Eguren-Martin, Bank of England and University of Oxford

[“Three Liquid Assets”](#)

Nicola Amendola, Università di Roma, Tor Vergata

Lorenzo Carbonari, Università di Roma, Tor Vergata

Leo Ferraris, Università di Roma, Tor Vergata

SESSION 9C:
News, shocks and beliefs

Chair: **Fabian Winkler**, Federal Reserve Board

“The Great Lockdown: information, noise and macroeconomic fluctuations”

Michał Brzoza-Brzezina, SGH and Narodowy Bank Polski

Grzegorz Wesołowski, Narodowy Bank Polski

Friday, October 15

14.45 - 15.15

[“Sectoral Uncertainty”](#)

Efrem Castelnuovo, University of Padova and University of Melbourne
Kerem Tuzcuoglu, Bank of Canada
Luis Uzeda, Bank of Canada

[“Falling Interest Rates and Misallocation: Lessons from General Equilibrium”](#)

Vladimir Asriyan, CREi, UPF and Barcelona GSE
Alberto Martin, CREi, UPF and Barcelona GSE
Alejandro Van der Ghote, European Central Bank
Victoria Vanasco, CREi, UPF and Barcelona GSE

[“Short- and Long-Run News: Evidence from Giant Mineral Discoveries”](#)

Jean-Paul L’Huillier, Brandeis University
Kirill Shakhnov, University of Surrey
Laure Simon, Bank of Canada

15.15 - 15.45

[“The Transmission of Keynesian Supply Shocks”](#)

Ambrogio Cesa-Bianchi, Bank of England, CEPR and CfM
Andrea Ferrero, University of Oxford, CEPR and CfM

[“The Trade Credit Clearinghouse: Liquidity and Coordination”](#)

Milan Bozic, Banja Luka Stock Exchange
Jurica Zrnc, Croatian National Bank and University of Vienna

“Technology shocks and Predictable Minsky Cycles”

Jean-Paul L’Huillier, Brandeis University and EIEF
Gregory Phelan, Williams College
Hunter Wiem, Williams College

15.45 - 16.15

[“Cyclical Attention to Saving”](#)

Alistair Macaulay, University of Oxford

[“The Natural Rate of Interest Through a Hall of Mirrors”](#)

Phurichai Rungcharoenkitkul, Bank for International Settlements
Fabian Winkler, Federal Reserve Board

16.15 - 16.20

Closing remarks

Douglas Laxton, *The Better Policy Project*