1. Record Nr. UNINA9910788340603321

Titolo	Is Monetary Policy Effective When Credit is Low?
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2008
ISBN	1-4623-6991-X 9786612842238 1-4519-9635-7 1-4518-7146-5 1-282-84223-4
Descrizione fisica	1 online resource (19 pages) : illustrations (some color)
Collana	IMF Working Papers IMF working paper ; ; WP/08/288
Disciplina	332.46
Soggetti	Monetary policy - Econometric models Credit - Econometric models Inflation (Finance) - Econometric models Econometrics Foreign Exchange Inflation Macroeconomics Money and Monetary Policy Price Level Deflation Monetary Policy, Central Banking, and the Supply of Money and Credit: General Time-Series Models Dynamic Quantile Regressions Dynamic Treatment Effect Models Diffusion Processes Monetary economics Currency Foreign exchange Econometrics & economic statistics Credit Exchange rate arrangements Vector autoregression Producer prices Prices United States

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Bibliographic Level Mode of Issuance: Monograph
Nota di bibliografia	Includes bibliographical references.
Sommario/riassunto	Monetary policy, at least in part, operates through both an interest rate and credit channel. The question arises, therefore, whether monetary policy is a less potent a device in affecting output and inflation in countries that have low levels of credit and where investment and consumption are not financed by borrowing in local currency. This paper employs a Panel Vector Auto Regression approach to examine the empirical evidence in a broad sample of emerging market countries. The data suggests that the effectiveness of changes in policy interest rates in influencing the path of inflation appear to be unrelated to the level of credit and that, instead, the willingness to allow exchange rate flexibility is a far more important determining factor.