

1. Record Nr.	UNINA9910827474203321
Autore	Stavrev Emil
Titolo	Euro Area Monetary Policy in Uncharted Waters // Emil Stavrev, Thomas Harjes, Martin Cihak
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2009
ISBN	1-4623-1540-2 1-4518-7332-8 9786612843952 1-4527-5208-7 1-282-84395-8
Edizione	[1st ed.]
Descrizione fisica	34 p. : ill
Collana	IMF Working Papers
Altri autori (Persone)	HarjesThomas CihakMartin
Disciplina	332.4;332.494
Soggetti	Monetary policy - European Union countries - Econometric models Global Financial Crisis, 2008-2009 Financial crises - European Union countries - Econometric models Banks and banking, Central - European Union countries - Econometric models Banks and Banking Financial Risk Management Investments: Bonds Interest Rates: Determination, Term Structure, and Effects General Financial Markets: General (includes Measurement and Data) Banks Depository Institutions Micro Finance Institutions Mortgages Financial Crises Banking Finance Investment & securities Economic & financial crises & disasters Yield curve Central bank policy rate Bond yields Financial crises Interest rates Bonds

Banks and banking

United States

Lingua di pubblicazione

Inglese

Formato

Materiale a stampa

Livello bibliografico

Monografia

Note generali

"August 2009."

Nota di contenuto

Intro -- Contents -- I. Introduction -- II. ECB's Policy Response to the Crisis -- III. Has the Transmission Been Impaired? -- A. Transmission Channels -- B. Methodology -- C. Results -- IV. Monetary Policy and The Return of The Liquidity Trap -- A. Overview -- B. Empirical Assessment -- V. Conclusions -- References -- Tables -- 1. VAR Parameter Estimates -- 2. Risk Factor Loadings -- Figures -- 1. Euro Area: Recent Developments of the ECB's Liquidity Operations -- 2. Euro Area: Cost of Borrowing by Businesses and Households -- 3. Euro Area: Pass-through of The ECB Policy Rate Changes to Market Rates -- 4. Euro Area: The Impact of Crisis on Policy Rate Pass-through -- 5. Euro Area: VAR Residuals of Market Rates -- 6. Euro Area: Effectiveness of Monetary Policy -- 7. Euro Area Macro-Financial Model: Government Bond Yields and Model -- Appendix -- I. Small Theory-based Model for the Euro Area.

Sommario/riassunto

We analyze the European Central Bank's (ECB's) response to the global financial crisis. Our results suggest that even during the crisis, the core part of ECB's monetary policy transmission—from policy rates to market rates—has continued to operate, but at a decreased efficiency. We also find some evidence that the ECB's non-standard measures, namely the lengthening of the maturity of monetary policy operations and the provision of funds at the fixed rate, reduced money market term spreads, facilitating the pass-through from policy to market rates. Furthermore, the results imply that the substantial increase in the ECB's balance sheet may have contributed to a reduction in government bond term spreads.