

1. Record Nr.	UNINA9910961252003321
Autore	Crowe Christopher
Titolo	Testing the Transparency Benefits of Inflation Targeting : : Evidence from Private Sector Forecasts // Christopher Crowe
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2006
ISBN	9786613820167 9781462378043 1462378048 9781452750132 1452750130 9781282391734 1282391739 9781451910025 1451910029
Edizione	[1st ed.]
Descrizione fisica	1 online resource (31 p.)
Collana	IMF Working Papers
Soggetti	Anti-inflationary policies - Econometric models Inflation (Finance) - Forecasting - Econometric models Banking Banks and Banking Banks and banking Banks Deflation Depository Institutions Economic Forecasting Economic forecasting Emerging and frontier financial markets Finance Finance: General Financial services industry Forecasting and Other Model Applications Forecasting General Financial Markets: General (includes Measurement and Data) Inflation targeting Inflation Macroeconomics Micro Finance Institutions Monetary economics

Monetary Policy
Monetary policy
Money and Monetary Policy
Mortgages
Price Level
Prices
United Kingdom

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	"December 2006."
Nota di bibliografia	Includes bibliographical references (p. 26-29).
Nota di contenuto	""Contents""; ""I. Introduction""; ""II. Theoretical Framework""; ""III. Empirical Strategy and Results""; ""IV. Conclusions""; ""Appendix I. Comparative Statics in The Model of Morris and Shin (2002)""; ""Appendix II. Matching Algorithms""; ""REFERENCES""
Sommario/riassunto	I test whether inflation targeting (IT) enhances transparency using inflation forecast data for 11 IT adoption countries. IT adoption promotes convergence in forecast errors, suggesting that it enhances transparency. This effect is robust to dropping observations, is strengthened by using instrumental variable estimation to eliminate mean-reversion, and is absent in placebo regressions (where IT adoption is shifted by a year). This result supports Morris and Shin's (2002) contention that better public information is most beneficial for forecasters with bad private information. However, it does not support their hypothesis that better public information could make private forecasts less accurate.