



BANK FOR INTERNATIONAL SETTLEMENTS



BANK OF ENGLAND

Institute for  
New Economic Thinking



University  
of Basel

Faculty of  
Business and Economics

## New economics of exchange rate adjustment

BIS, Bank of England, University of Cambridge, University of Basel

Cambridge, 21–22 March 2019

### **Thursday 21<sup>st</sup> March**

08:15-08:50 Registration

08:50-09:00 Welcoming remarks

#### **Keynote speech**

09:00-10:00 Hélène Rey (London Business School) [TITLE TBC]

10:00-10:30 Coffee

#### **Session 1: The dollar and the international financial cycle**

10:30-11:30 ***Global Investors, the dollar, and US credit conditions***, Friederike Niepmann (Federal Reserve Board) and Tim Schmidt-Eisenlohr (Federal Reserve Board)

*Discussant: Egemen Eren (Bank for International Settlements)*

11:30-12:30 ***Central bank swap lines***, Saleem Bahaj (Bank of England) and Ricardo Reis (London School of Economics)

*Discussant: Catherine Schenk (University of Oxford)*

12:30-13:30 Lunch

#### **Keynote speech**

13:30-14:30 **“The Case for Flexible Exchange Rates” – 50 Years on** Maurice Obstfeld (UC Berkeley)

14:30-15:00 Coffee

#### **Session 2: Liquidity, leverage and exchange rates**

15:00-16:00 ***Liquidity and exchange rates: an empirical investigation***, Charles Engel (University of Wisconsin) and Steve Pak Yeung Wu (University of Wisconsin)

*Discussant: Vania Stavrakeva (London Business School)*

16:00-17:00 ***Intermediary leverage and currency risk premium***, Xiang Fang (University of Pennsylvania)

*Discussant: Mariano Croce (Bocconi)*

#### **Session 3: Exchange rate interventions:**

17:00-17:30 **FX intervention and domestic credit: evidence from high-frequency micro data** Boris Hofmann (BIS), Hyun Song Shin, (BIS) and Mauricio Villamizar-Villegas, (Bank of the Republic, Colombia)

17:30-18:30 Break

**Panel discussion: Foreign exchange interventions and policy perspectives from developed and developing countries**

18:30-19:15 Maurice Obstfeld (UC Berkeley), Moderator  
Luiz Awazu Pereira da Silva (BIS; former Deputy Governor, Central Bank of Brazil)  
Jean-Pierre Landau (Science-Po Paris; former Deputy Governor, Banque de France)

19:30 **Dinner** (by invitation only)

**Friday 22<sup>nd</sup> March**

**Session 4: Pricing pass-through and monetary policy**

08:30-09:30 ***Exchange rate pass-through, capital flows, and monetary autonomy***, Olivier Wang (MIT)

*Discussant: Gianluca Benigno (Federal Reserve Bank of New York / London School of Economics)*

09:30-10:30 ***Optimal monetary policy under dollar pricing***, Konstantin Egorov (New Economic School) and Dmitry Mukhin (Yale University)

*Discussant: Cedric Tille (Graduate Institute)*

10:30-11:00 Coffee

**Keynote speech**

11:00-12:00 Pierre-Olivier Gourinchas (UC Berkeley) [TITLE TBC]

12:00-13:00 Lunch

**Session 5: Currency mismatch and balance sheets**

13:00-14:00 ***Exchange rate exposure and firm dynamics***, Juliana Salomao (University of Minnesota) and Liliana Varela (University of Warwick)

*Discussant: Catherine Koch (Bank for International Settlements)*

14:00-15:00 ***Balance sheets, exchange rates and international monetary spillovers***, Ozge Akinci (FRB New York) and Albert Queralto (Federal Reserve Board)

*Discussant: Ambrogio Cesa-Bianchi (Bank of England)*

15:00-15:10 Closing remarks

**Organisers**

Giancarlo Corsetti (University of Cambridge), Olivier Jeanne (Johns Hopkins University), Sarah Lein (University of Basel), Simon Lloyd (Bank of England), Giovanni Lombardo (BIS), Dubravko Mihaljek (BIS), and Luiz A. Pereira da Silva (BIS).

Presenter: 35 minutes

Discussant: 15 minutes

General discussion: 10 minutes