

The ECB's Instruments for Crises and Normal Times

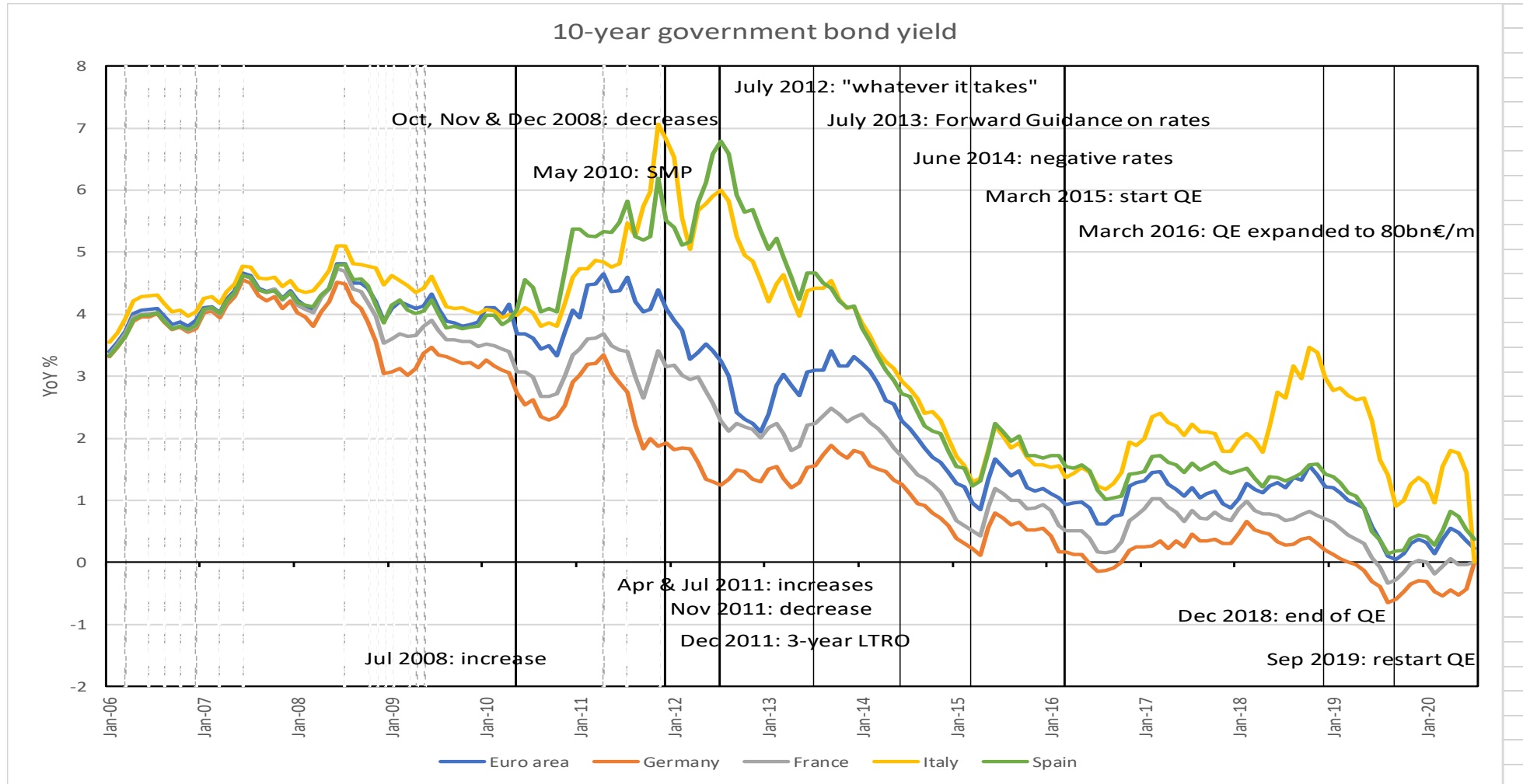
Lucrezia Reichlin
London Business School

The ECB and Its Watchers XXI

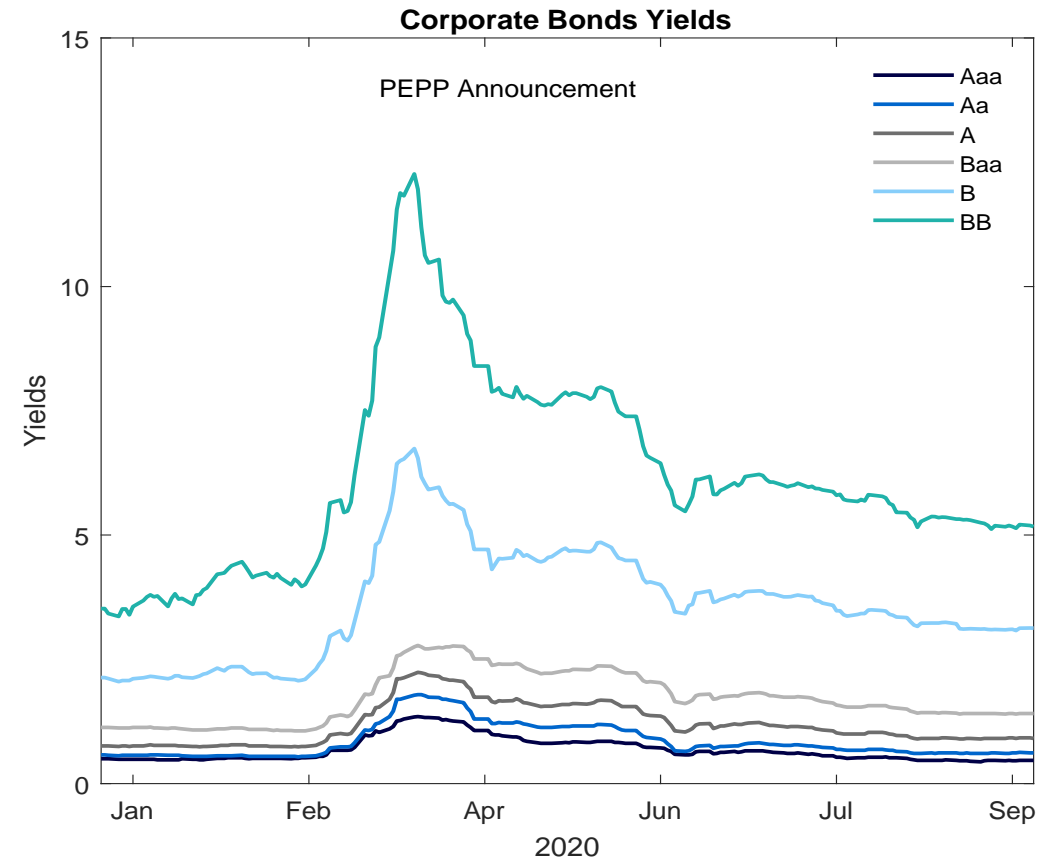
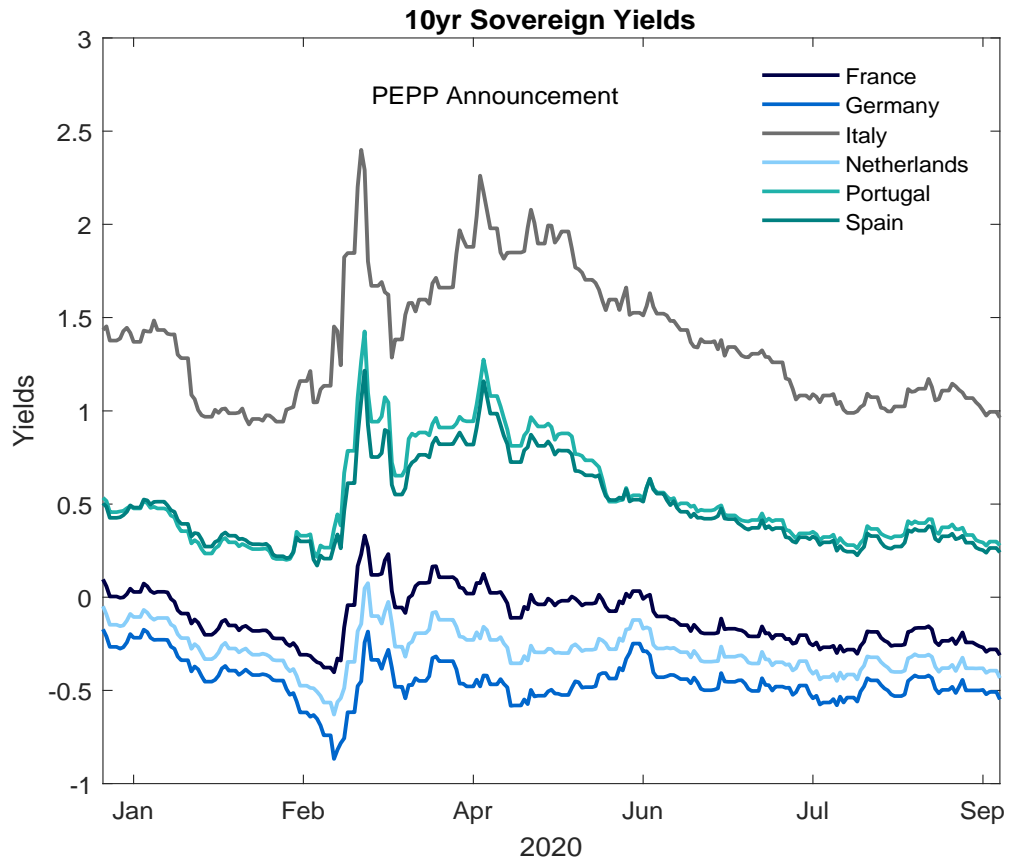
Frankfurt

September 30, 2020

10-year government bonds yield

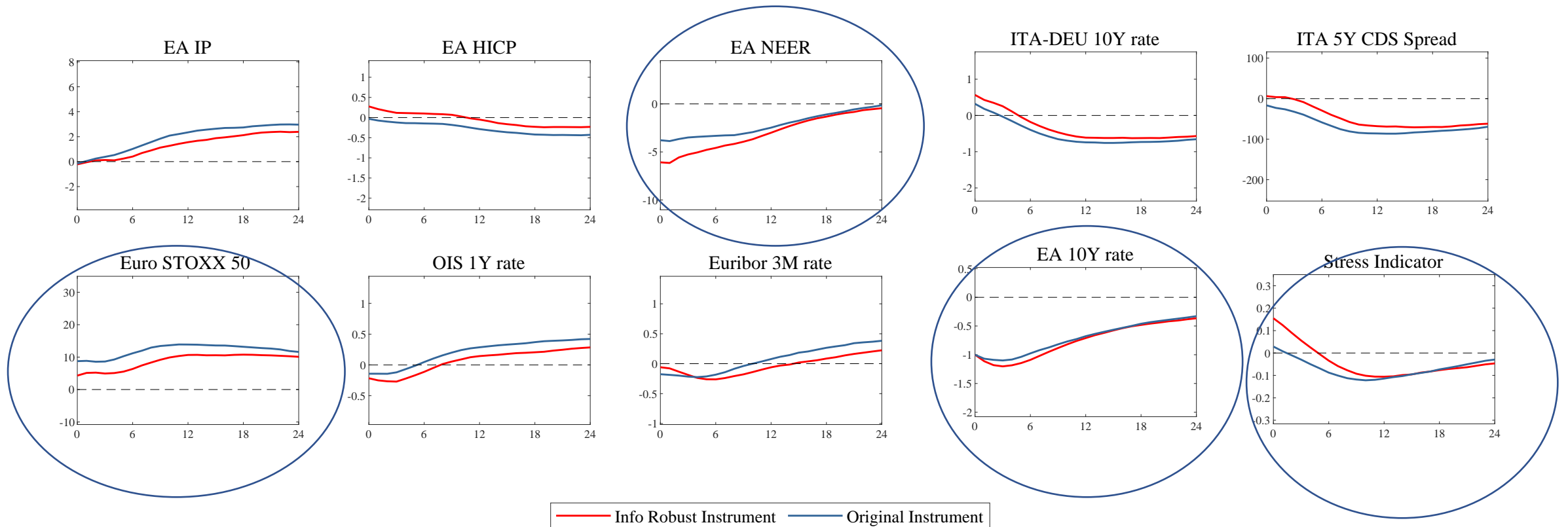


Announcements

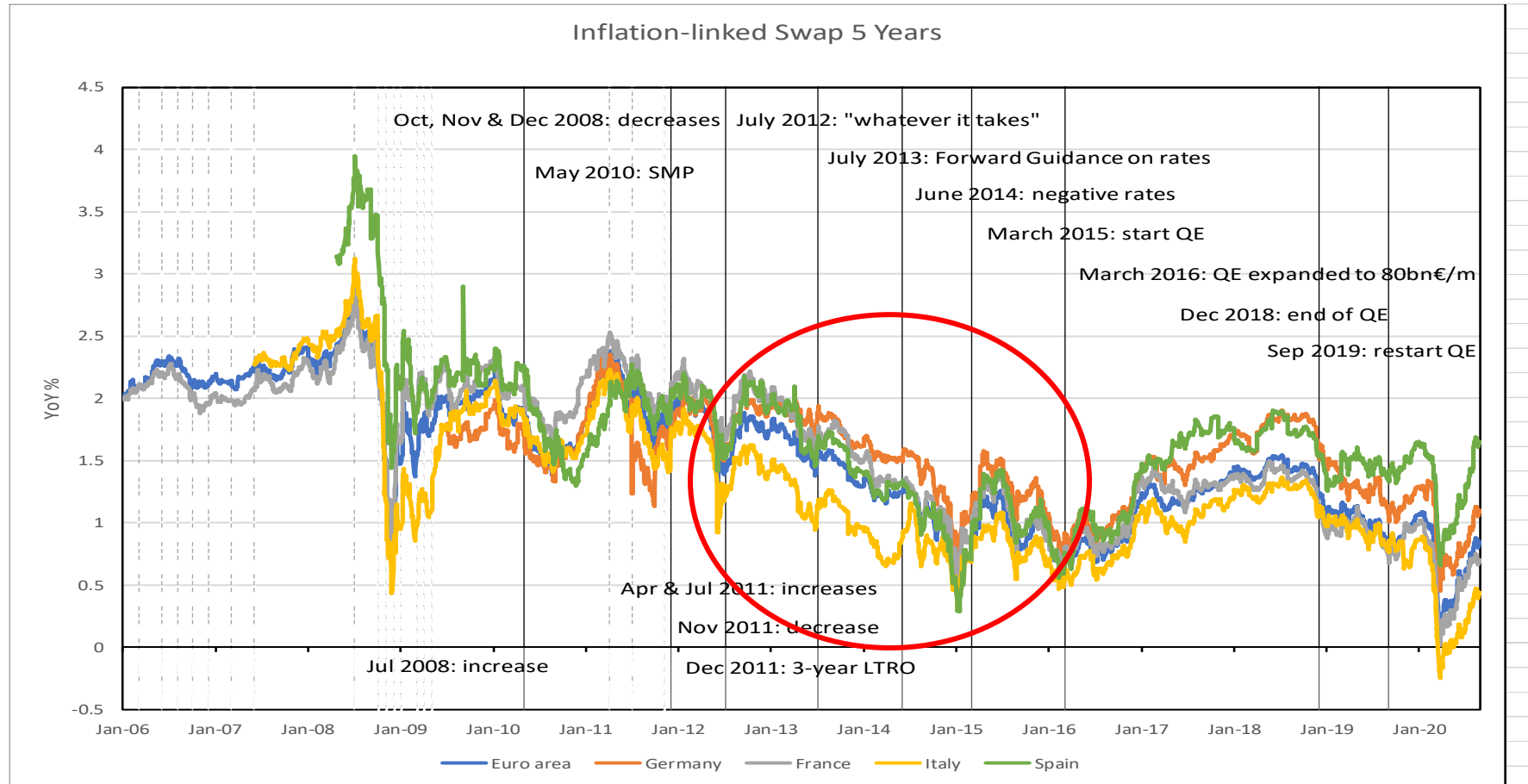


Domestic Effects of Expansionary QE Shock

Jan 2004-Aug 2019 – Ricco and Tuteja 2020

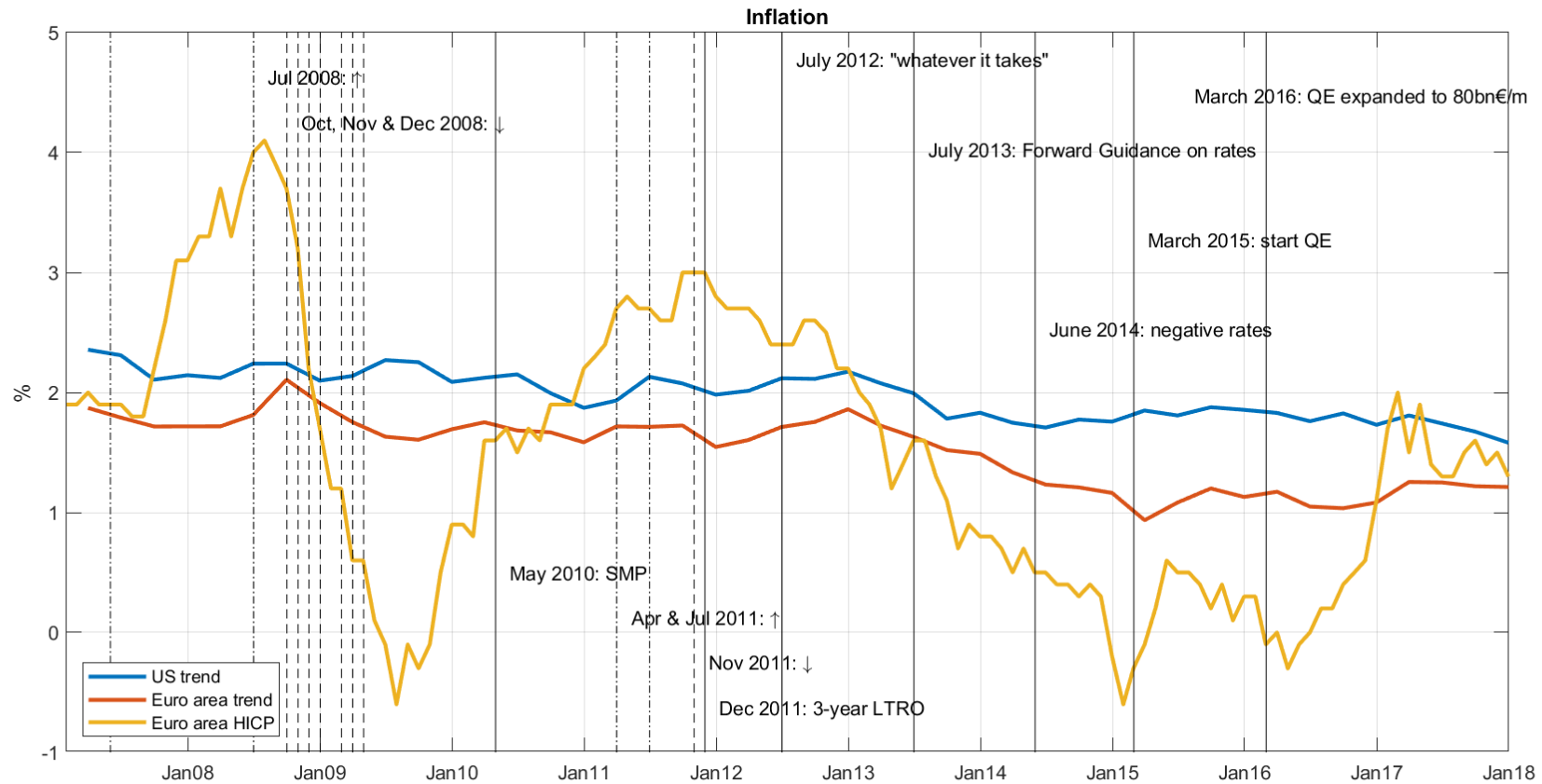


Market implied inflation expectations



US versus Euro Area: inflation trend expectations

(Hasenzagl, Pellegrino, Reichlin and Ricco, 2020)



Public debt and fiscal deficit - Is this recession different? Big shock, sharp deficit adjustment, no debt-to-GDP reduction

