



**Seminar on Financial Stability and Macprudential Policy**  
**Banco Central do Brasil and Inter-American Development Bank**  
**Sheraton Hotel & Resort, Rio de Janeiro, December 11<sup>th</sup> 2014**  
 Avenida Niemeyer, 121 – Leblon – Rio de Janeiro - Brazil

**Agenda**

8:00 – 8:30 am

Registration

8:30 – 09:00 am

Opening Remarks: Luiz A. Pereira da Silva (CBB) and Andrew Powell (IDB)

09:00 – 9:40 am

Initial Lecture: Stephen G Cecchetti

09:40 – 11:00 am

**Session 1: The Interaction between Monetary Policy and Macprudential Policy: objectives, institutional arrangements and communication**

**SPEAKERS:**

- Giovanni Dell’Arricia (IMF)
- Stijn Claessens (IMF)

**Issues for discussion:**

Are macroprudential and monetary policies substitutes or complements?

Should we follow the “separation principle”?

Should monetary policy also focus on credit growth, credit spreads, asset prices or, more generally, financial stability?

What is the optimal institutional arrangement for macroprudential policy? What is the best communication strategy? How much transparency is desirable? Should it be equal or different from monetary policy arrangements?

**MODERATOR:**

- Luiz A. Pereira da Silva (Central Bank of Brazil - CBB)

11:00 – 11:15 am

Coffee Break

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11:15 am – 1:00 pm

**Session 2: Macroprudential regulation through the lens of DSGE models**

**SPEAKERS:**

- Pierre-Richard Agénor (University of Manchester)
- Andrea Gerali (Bank of Italy)
- Bianca de Paoli (FED)
- Fábía Carvalho (CBB)
- Juan Pablo Medina (Universidad Adolfo Ibáñez)

**Issues for discussion:**

- What do we know about the impacts of Macroprudential instruments on the real economy?
- How to incorporate Macroprudential instruments on structural models?
- How to measure the effects of Macroprudential instruments on social welfare?

**MODERATOR:**

- Carlos Hamilton Vasconcelos Araújo (CBB)

1:00 – 2:30 pm

Lunch

2:30 – 3:40 pm

**Session 3: Financial Stability, Indicators Performance and Challenges in the Design of the Countercyclical Capital Buffer**

**SPEAKERS:**

- Andrew Powell (IDB)
- Mathias Drehmann (BIS)
- Rodrigo Barbone Gonzalez (Central Bank of Brazil)

**Issues for discussion:**

- How to reconcile information provided by different indicators performance?
- Is the Credit-to-GDP gap a useful indicator for emerging market economies?
- How to estimate robust trends in emerging market economies, i.e. how to incorporate financial deepening?
- What is the right balance between rules and discretion for turning on/off the Countercyclical Capital Buffer?
- What are the best indicators for turning on/off the Countercyclical Capital Buffer? How to measure their predictive power?

**MODERATOR:**

3:40 – 4:00 pm

Coffee Break

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4:00 – 5:00 pm

#### **Session 4: European experiences with Macroprudential Tools**

##### **SPEAKERS:**

- Alper Koray (Central Bank of Turkey)
- Jesus Saurina (Bank of Spain)
- Ivan Odonnat (Bank of France)

##### **Issues for discussion:**

Is Countercyclical Provisioning effective? Is it a substitute for the Countercyclical Capital Buffer? What is the Reserve Requirement role in macroprudential policy? Is it effective? How does it interact with monetary policy?

##### **MODERATOR:**

Regional experiences with different instruments.

5:00 – 6:00 pm

#### **Session 5: Latin American experiences with Macroprudential Tools.**

##### **SPEAKERS**

- Caio Fonseca Ferreira (CBB)
- Peru
- Chile
- Colombia

##### **Issues for discussion:**

Is Countercyclical Provisioning effective? Is it a substitute for the Countercyclical Capital Buffer? What is the Reserve Requirement role in macroprudential policy? Is it effective? How does it interact with monetary policy?

##### **MODERATOR:**

- Kevin Cowan (IDB)

Regional experiences with different instruments.

6:00 pm

**Closing Remarks**