

Assessing and Combining Financial Conditions Indexes
Sirio Aramonte, Samuel Rosen, and John W. Schindler

Can the Fed Talk the Hind Legs Off the Stock Market?
Sylvester Eijffinger, Ronald Mahieu, and Louis Raes

Heterogeneous Bank Lending Responses to Monetary Policy:
New Evidence from a Real-Time Identification
John C. Bluedorn, Christopher Bowdler, and Christoffer Koch

State Dependency in Price and Wage Setting
Shuhei Takahashi

Tight Money and the Sustainability of Public Debt
Sergey Pekarski

Consumers' Attitudes and Their Inflation Expectations
Michael Ehrmann, Damjan Pfajfar, and Emiliano Santoro

Aggregate Dynamics after a Shock to Monetary Policy in Developing
Countries
Emek Karaca and Mustafa Tugan

Effectiveness and Transmission of the ECB's Balance Sheet Policies
Jef Boeckx, Maarten Dossche, and Gert Peersman



Assessing and Combining Financial Conditions Indexes <i>Sirio Aramonte, Samuel Rosen, and John W. Schindler</i>	1
Can the Fed Talk the Hind Legs Off the Stock Market? <i>Sylvester Eijffinger, Ronald Mahieu, and Louis Raes</i>	53
Heterogeneous Bank Lending Responses to Monetary Policy: New Evidence from a Real-Time Identification <i>John C. Bluedorn, Christopher Bowdler, and Christoffer Koch</i>	95
State Dependency in Price and Wage Setting <i>Shuhei Takahashi</i>	151
Tight Money and the Sustainability of Public Debt <i>Sergey Pekarski</i>	191
Consumers' Attitudes and Their Inflation Expectations <i>Michael Ehrmann, Damjan Pfajfar, and Emiliano Santoro</i>	225
Aggregate Dynamics after a Shock to Monetary Policy in Developing Countries <i>Emek Karaca and Mustafa Tugan</i>	261
Effectiveness and Transmission of the ECB's Balance Sheet Policies <i>Jef Boeckx, Maarten Dossche, and Gert Peersman</i>	297

Copyright © 2017 by the Association of the International Journal of Central Banking. All rights reserved. Brief excerpts may be reproduced or translated provided the source is cited. Consult www.ijcb.org for further information.

The *International Journal of Central Banking* is published quarterly (ISSN: 1815-4654). Online access to the publication is available free of charge at www.ijcb.org. Individual print subscriptions are available. Orders may be placed by phone (001 415 974 2035), via fax (001 415 974 2168), or by e-mail (editor@ijcb.org).

Renewals, claims, address changes, and requests for permission to reprint material from this journal should be addressed to:

International Journal of Central Banking
Economic Research Department
Federal Reserve Bank of San Francisco
101 Market Street
San Francisco, CA 94105
USA

Phone: 001 415 974 2035

Fax: 001 415 974 2168

E-mail: editor@ijcb.org

The views expressed in this journal do not necessarily represent the views of the Association of the International Journal of Central Banking or any of its members.

ISSN: 1815-4654

International Journal of Central Banking

Board of Directors

Chairman

Claudio Borio, *Bank for International Settlements*

Board Members

Q. Farooq Akram, *Norges Bank*
Abdulaziz Al-Furaih, *Saudi Arabian Monetary Agency*
David E. Altig, *Federal Reserve Bank of Atlanta*
Carlos Hamilton Vasconcelos Araujo, *Central Bank of Brazil*
Jan Marc Berk, *The Nederlandsche Bank*
Mohamed Tahar Bouhouche, *Bank of Algeria*
Lillian Cheung, *Hong Kong Monetary Authority*
Laurent Clerc, *Bank of France*
Francisco G. Dakila Jr., *Central Bank of the Philippines*
Mary Daly, *Federal Reserve Bank of San Francisco*
Michael Dotsey, *Federal Reserve Bank of Philadelphia*
William English, *Federal Reserve Board*
Gabriel Fagan, *Central Bank of Ireland*
Jiang Feng, *People's Bank of China*
Manuel Ramos Francia, *Bank of Mexico*
Jeffrey C. Fuhrer, *Federal Reserve Bank of Boston*
Kamil Galuscak, *Czech National Bank*
Niels Lynggård Hansen, *Danmarks Nationalbank*
Philipp Hartmann, *European Central Bank*
Elena Iorga, *National Bank of Romania*
Seung-Cheol Jeon, *Bank of Korea*
Juan F. Jimeno, *Bank of Spain*
George A. Kahn, *Federal Reserve Bank of Kansas City*
Sujit Kapadia, *Bank of England*
Ali Hakan Kara, *Central Bank of Turkey*
Christopher Kent, *Reserve Bank of Australia*
Evan Koenig, *Federal Reserve Bank of Dallas*
Ana Christina Leal, *Bank of Portugal*
Carlos Lenz, *Swiss National Bank*
Jesper Lindé, *Sveriges Riksbank*
Choy Keen Meng, *Monetary Authority of Singapore*
John McDermott, *Reserve Bank of New Zealand*
Emanuel Moench, *Deutsche Bundesbank*
Alberto Naudon, *Central Bank of Chile*
Edward Offenbacher, *Bank of Israel*
Fabio Panetta, *Bank of Italy*
Michael D. Patra, *Reserve Bank of India*
Thórarinn G. Pétursson, *Central Bank of Iceland*
Ivan Ribnikar, *Bank of Slovenia*
Lawrence Schembri, *Bank of Canada*
Sam Schulhofer-Wohl, *Federal Reserve Bank of Minneapolis*
Mark Schweitzer, *Federal Reserve Bank of Cleveland*
Shigenori Shiratsuka, *Bank of Japan*
Jan Smets, *National Bank of Belgium*
Daniel Sullivan, *Federal Reserve Bank of Chicago*
Juha Tarkka, *Bank of Finland*
George Tavlas, *Bank of Greece*
Joseph Tracy, *Federal Reserve Bank of New York*
Dobieslaw Tymoczko, *National Bank of Poland*
Hernando Vargas Herrera, *Banco de la República*
Christopher Waller, *Federal Reserve Bank of St. Louis*
John Weinberg, *Federal Reserve Bank of Richmond*
Ksenia Yudaeva, *Central Bank of Russian Federation*

Editorial Board

Managing Editor

Loretta Mester
Federal Reserve Bank of Cleveland

Co-editors

Tobias Adrian International Monetary Fund	Harrison Hong Columbia University	Rafael Repullo CEMFI
Boragan Aruoba University of Maryland	Luc Laeven European Central Bank	Barbara Rossi Universitat Pompeu Fabra
Pierpaolo Benigno LUISS Guido Carli	Lucrezia Reichlin London Business School	

Associate Editors

Patrick Bolton University of Columbia	Jordi Galí Centre de Recerca en Economia Internacional (CREI)	Eli M. Remolona Bank for International Settlements
Michael D. Bordo Rutgers University	Marvin Goodfriend Carnegie Mellon University	Hélène Rey London Business School
Mark Carey Federal Reserve Board	Michael B. Gordy Federal Reserve Board	Jean-Charles Rochet University of Toulouse
Pierre Collin-Dufresne University of Columbia	Luigi Guiso European University Institute	Andrew K. Rose University of California, Berkeley
Guy Debelle Reserve Bank of Australia	Andrew G. Haldane Bank of England	Klaus Schmidt-Hebbel Organisation for Economic Co-operation and Development (OECD)
Douglas W. Diamond University of Chicago Graduate School of Business	Takatoshi Ito University of Tokyo	Lars E.O. Svensson Sveriges Riksbank
Francis Diebold University of Pennsylvania	David Lando Copenhagen Business School	Jürgen von Hagen University of Bonn
Michael Dotsey Federal Reserve Bank of Philadelphia	Philip Lane Trinity College Dublin	Ernst-Ludwig von Thadden University of Mannheim
Darrell Duffie Stanford University	Francesco Lippi University of Sassari	Tsutomu Watanabe University of Tokyo
	Carmen M. Reinhart Harvard Kennedy School	

Advisory Board

Franklin Allen The Wharton School of the University of Pennsylvania	Hyun Shin Princeton University	Michael Woodford Columbia University
Charles Goodhart London School of Economics	Kazuo Ueda University of Tokyo	John Taylor Stanford University
	Carl E. Walsh University of California	