Monetary Policy across Space and Time

Supplementary Appendix

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This Appendix contains supplementary material for the paper. In Figure 1, we present the persistence of our estimated time varying parameters using the quasi-Bayesian methodology\(^1\). Figure 2 displays the estimated conditional volatilities over time. Due to space considerations and for clarity of exposition, the main paper only includes impulse responses for selected periods and variables. In Figures 3-5 and Figures 6-8 below we present the responses to monetary policy shocks for all periods and all additional variables respectively. Figures 9-17 contain the 64% posterior bands around the estimated impulse responses for selected periods and variables. Figures 18-24 and Figures 25-28 present additional robustness results and structural analysis respectively using German instead of Euro-area data.

1 Additional results

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For the posterior draws of each estimated time-varying parameter, we fit an AR(1) with an intercept and report a histogram of all these different AR coefficients.
Figure 2: Conditional Volatility

Figure 3: US policy shock
Figure 4: US policy shock

Figure 5: UK policy shock
Figure 10: Domestic effects UK

Figure 11: Domestic effects EA
Figure 12: Spillover effects US

Figure 13: Spillover effects US
Figure 14: Spillover effects UK

Figure 15: Spillover effects UK
Figure 16: Spillover effects EA

Figure 17: Spillover effects EA
2 Robustness estimation results with German data

Figure 18: Actual series and their long-run trends (Germany)

Figure 19: Long-run trends (Germany)
Figure 20: Phillips Curves across countries (Germany)

Figure 21: Interest rate gaps
Figure 22: Unconditional volatility (Germany)

Figure 23: Conditional Volatility (Germany)
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Figure 24: Pair-wise correlations (Germany)

Figure 25: Domestic Effects (Germany)
Figure 26: Interest rate spillover effects (Germany)

Figure 27: Inflation spillover effects (Germany)
Figure 28: Unemployment spillover effects (Germany)