

# Economics of central banking (Zentralbanktheorie und -politik)

## Monetary Policy Strategy

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*Introduction* These slides present the main elements of the course 9,272,1.00 (contact studies); they are based on several papers and books (e.g. Walsh, 2003, Galí, 2008, Walsh, 2010) whose references are given during the term; a separate reading list for the exam will be given after the term break; solutions of the exercises and self studies (Selbststudium) will be given during the class.

*Disclaimer* The opinions expressed in this course are solely the responsibility of the author and do not necessarily reflect the views of his affiliations.

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# Strategy, definition

## Definition

A (monetary policy) strategy (concept, framework) describes how and by which means the final target(s) should be attained

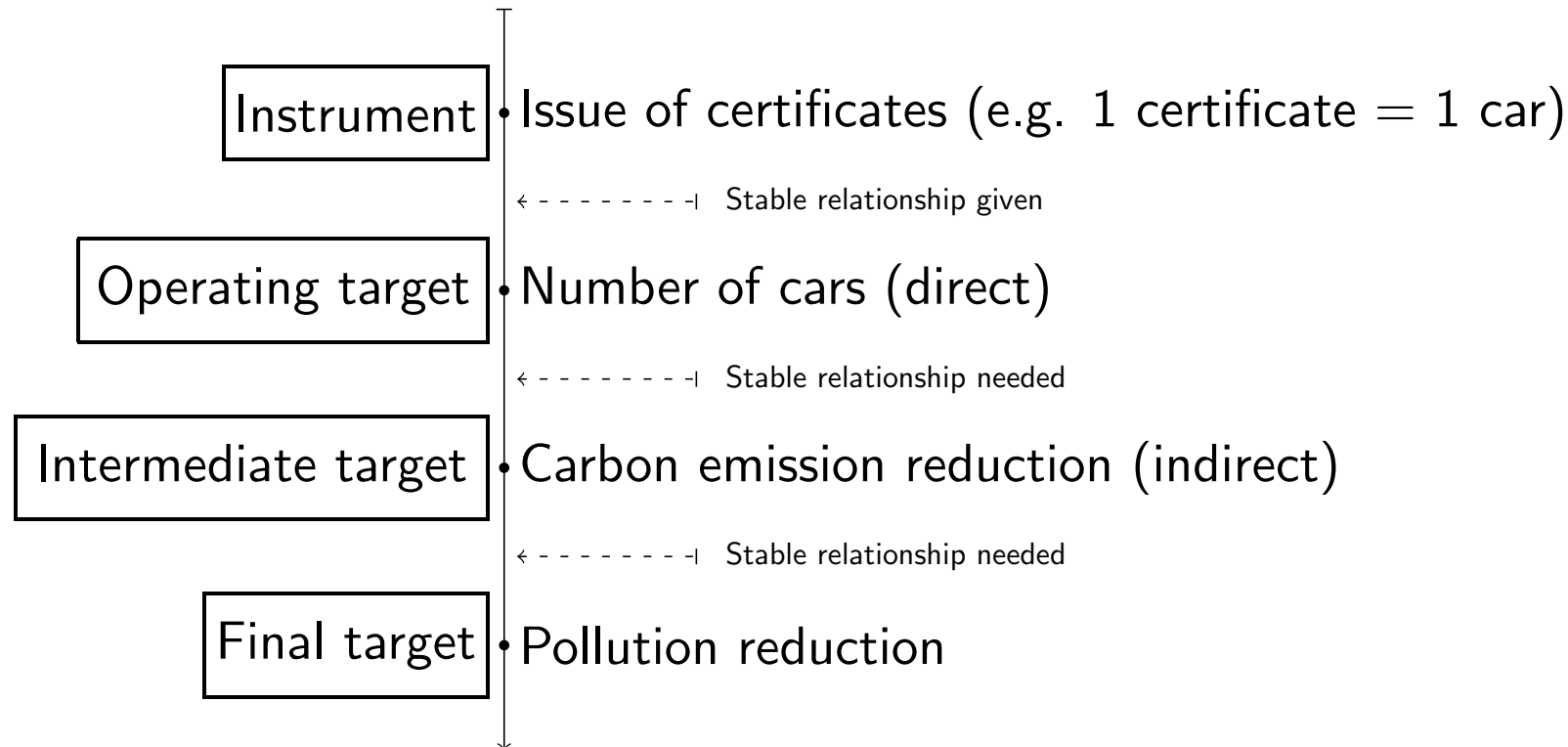
## Main elements

Instruments → Intermediate targets/indicators → Final targets  
+  
Communication/transparency

## □ Comments

- no clear name/definition for strategies
- on purpose very broad definition
- difference between intermediate targets and indicators not always clear
- communication and transparency not always part of the strategy

# Strategy, example environmental policy



# SNB strategy, overview

