

“A New Monetary Conditions Index: US as a Case Study”

(in English)



Prof. Ho Lok-sang
Head & Professor of Department of Economics
Director of Centre for Public Policy Studies
Lingnan University

Abstract:

I propose a new Monetary Conditions Index that can be easily interpreted and that can guide monetary policy. Built on National Income Accounting principles and Aggregate Demand Theory, the index is based on econometric estimation of behavioural relationships among key macroeconomic variables. The aforesaid macroeconomic relationships, in turn, are shown to be consistent with microeconomic behaviour. The estimates indicate that the current policy of aggressively “loose” monetary policy in the US is well justified, and suggest that the economy is indeed gradually healing from the traumatic plunge from 2007 to 2009, with an improving fiscal budget balance as an additional bonus.

Date: 2 December 2013 (Monday)
Time: 2:30 - 4:00 pm
Venue: WYL314, Dorothy Y. L. Wong Building

Biography:

Prof. Ho Lok Sang is Head & Professor of Economics and Director of Centre for Public Policy Studies, Lingnan University. His research interests cover a broad area, spanning international economics to domestic public policy issues like social security, health policy, housing policy. His recent books include *Psychology and Economics of Happiness*(Routledge), *Public Policy and the Public Interest*(Routledge), *Health Policy and the Public Interest*(Routledge). His most recent article, published in *Journal of International Money and Finance*, proposed a new way of compiling effective exchange rate indices and was a by-product from his World Currency Unit Project.

All Are Welcome

For enquiry: 26167190(Yuki)/26167182(Sylvia)