Logistics

* Summer Plans
* Explain my situation with the bank
* Support letter from him (even if not exactly comply w the schedule)

Project

* Period: database from 1991 (check on some variables that might have some manipulation in the 90’s)
* MGARCH approach (Implementation in phyton still an issue, hope to solve soon. Second option MATLAB)
* Use inflation and growth initially.
* Expectations
  + Observed data from survey from 2004
  + From the binder paper on historical expectations:
    - Time series approach: Collinearity?? A multivariate model?
    - Quantitative news estimate: Google trends data approach also from 2004
    - Do another section with 2004-2021 period to see dynamics?
  + Kumar et. Al. paper: Manager unaware of monetary policy – expectations not anchored.
    - Managers don’t worry about inflation because is not an issue. Inflation is under control, so they do not need to worry? Is economic stability (MP) making people unaware of macroeconomic conditions, instead of anchoring expectations through making people more informed about them?
    - GT, outside the very CB environment or in academia people does not really know what the CB do. But inflation (in general) is low and stable, the macro conditions are “stable” (which not imply good)
  + Davis, Inflation targeting and the anchoring of IE (cross-country evidence). VAR Model, I intend to use a MGARCH approach to asses the “volatility” of the inflation.