

# Advanced Macroeconomics - Empirical Analysis

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## **Heterogeneous spillover effects from ECBs monetary decision**

In this seminar, we investigate how different decisions of the European Central Bank influence key real variables for Eurozone countries. To address the inherent endogeneity of ECB decisions, we employ High Frequency Identification following Altavilla et al. (2019) to construct exogenous shocks. In particular, we will examine Monetary Policy Shocks, Forward Guidance Shocks, and Quantitative Easing. We then use these instruments to conduct Panel Local Projection Instrumental Variable (Panel LP-IV) estimation, using Generalized Least Squares (GLS), to construct Impulse Response functions for real GDP, unemployment, HICP, and more.