

# Questions on Liquidity Forecasting

- ① What are the main features of the data on currency in circulation?
- ② What are the main seasonal factors in the UAE?
- ③ At which frequency are the forecasts generated ?
- ④ What are the best individual performing models for each autonomous factor?
- ⑤ What are the main difficulties faced by the central bank of the UAE for forecasting the government position?
  - What are the mission recommendations to help the CBUAE improving the forecasts of the government position?

# Calibration of the Operational Mix

- ➊ Why did the team estimate the relationship between commercial banks reserves and the interbank interest rate?
- ➋ According to the Poole model, what are the two main drivers explaining the banks' holdings for reserves?
- ➌ How is defined the optimal liquidity surplus?
- ➍ What is the rationale to calibrate the issuance of long-term central bank securities via a smoothing filter?
- ➎ How are the required reserves calibrated?