Anshumaan Tuteja

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EDUCATION

2019-	**Ph.D. in Economics**
	Department of Economics, University of Warwick (submitted)
2017-19	**M.Res. in Economics**
	Department of Economics, University of Warwick (Distinction)
	Dissertation: Transmission of Monetary Policy in the Euro Area
2015-17	**M.Phil. in Economics**
	Delhi School of Economics, University of Delhi (First class)
	Dissertation: Monetary Policy in India: An Analysis and Transmission
2013-15	**M.Sc. in Economics**
	Department of Policy Studies, TERI SAS, Delhi (First Class)
	Dissertation: Assessing the Functioning of Clean Development Mechanism
2009-12	**B.A. (Hons) in Economics**
	S.G.T.B. Khalsa College, University of Delhi (First Class)

RESEARCH INTERESTS

Monetary Economics, International Economics, Macro-Finance

WORK IN PROGRESS

What explains the stock market's response to QE policy? Evidence from decomposition of the S&P500 index (Job market paper)

Abstract: This paper analyses the effects of Quantitative easing (QE) on the US stock market by decomposing the S&P500 index into two components, its risk-neutral fundamental value, and the equity premium. The causal effects of QE are identified by using a state-of-the-art IV that is based on high-frequency price revisions of the medium-long end of the yield curve, triggered by FOMC policy announcements. The IV is constructed by controlling for both information and risk premia shocks to identify QE policy shocks. Findings from a Structural Vector Autoregression (SVAR) model suggest that a contractionary QE policy shock results in a negative response of the stock index, due to the downward adjustment of both the fundamental and the equity premium components. However, the adjustment of the latter is roughly 4 times as big as the fundamental value. Both components display persistence with the equity premium response declining gradually over a period of two years.

Monetary policy signals and shocks in the Euro Area (with Lucrezia Reichlin, Giovanni Ricco and Emanuele Savini)

Abstract: High frequency surprises in financial markets data are a popular choice for constructing an instrument to identify the effects of monetary policy shocks. However, these surprises are a combination of monetary policy, information shocks and risk premium shocks, which may lead to empirical puzzles. In this paper, we show how to isolate monetary policy shocks using high frequency surprises of financial markets data from the Euro Area. We control for information shocks using the information set of market participants and then extract four factors with structural interpretations – target, forward guidance, quantitative easing, and country risk. Using these factors as

external instruments in a Structural Vector Autoregression model, we demonstrate that isolating monetary policy shocks eliminates various empirical puzzles in impulse response functions. Results for policy shocks suggest that target and QE shocks were equally effective in achieving desired effects on inflation and output. In addition, shocks to country risk premia negatively impacted Italian industrial production and the European stock market.

Related **VoxEu** article: *The two dimensional feature of ECB monetary policy*

Spillover effects of Euro Area monetary policy (with Giovanni Ricco and Emanuele Savini)

Abstract: This study examines the spillover effects of the European Central Bank's Quantitative Easing (QE) programs on the Western African Economic Monetary Union (WAEMU). The peg of the common currency against the Euro enables focus on the trade and financial channels of international transmission. We estimate Bilateral vector autoregression (VAR) models consisting of national macroeconomic and financial data at monthly frequency. The causal effect of a QE policy shock is identified using high frequency identification approach. We show that an expansionary shock in the Euro Area results in spillovers to the money market, the stock index and exchange rate with the US dollar. The impact on output and prices is modest, and there is significant heterogeneity in response of member nations. These results are consistent with lack of spillovers through the trade channel.

The role of labor markets in household inflation expectations (with Christine Braun and Gavin Hassall)

Abstract: This paper investigates whether households utilize experiences and expectations of their own labour market outcomes to predict aggregate inflation expectations. We calibrate the learning process of households using the Survey of Consumer Expectations in a Dynamic Stochastic General Equilibrium search model with imperfect information. We find that households form aggregate inflation expectations by using information from goods prices but do not update them in response to revisions in their expected labour market outcomes. We study the implication of the lack of updating in a simulation exercise. In comparison to a model with optimal learning in a perfect information environment, the output gap is more volatile with imperfect information when the estimated learning process is calibrated to the data.

BOOK CHAPTER

Monetary Transmission in the Indian Economy (with Pami Dua), in Macroeconometric Methods, 2023. 97-122.

CONFERENCES & PRESENTATIONS

Warwick PhD conference 2023 (Poster), Applied Young Economist Webinar 2023, Indian Institute of Technology Kanpur (2023), 11th Winter School Conference at Delhi School of Economics (2016), Asian Meeting of the Econometric Society (2016)

TEACHING EXPERIENCE

2020-22	EC9A2	**Advanced Macroeconomics**
2018-20	EC201	**Macroeconomics 2**
2019-20	EC226	**Econometrics 1**

PROFESSIONAL EXPERIENCE

Internship

7/2020-9/2020   Part-time Traineeship, European Stability Mechanism

Research Assistant

7/2021	Prof. Lucrezia Reichlin and Prof. Giovanni Ricco
6/2020-7/2020	Prof. Giovanni Ricco

OTHER POSITIONS

2019-2020	**Organiser, Macro & International reading group**
	Department of Economics, University of Warwick

AWARDS & SCHOLARSHIPS

2017- 23	**Departmental Scholarship**
	Department of Economics, University of Warwick
2015- 17	**UGC Non-National Eligibility Test Fellowship**
	University Grants Commission of India
2012	**Dr. Jasjeet Kaur Memorial Scholarship for Best Student in Economics**
	S.G.T.B. Khalsa College

SKILLS

Modelling	MATLAB, Stata, Python, RATS, EViews
Other tools	LaTeX, MS Office
Languages	English: Fluent, Hindi: Native, Punjabi: Fluent

REFERENCES

Prof. **Giovanni Ricco**	Prof. **Ana Galvao**	Dr. **Christine Braun**
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