

Hawkwatchers

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Introduction

- Central bank communication: increasingly important monetary policy tool.
- It provides information to the public regarding the next policy rate movements (“managing expectations”).
- The information is not explicit, so it is not a commitment from the central bank: deviating doesn’t damage credibility.

Collecting Data

- Scrape press releases and policy interest rates from US Federal Reserve website

2017 FOMC Meetings				
Jan/Feb	31-1	Statement: PDF HTML Implementation Note		Minutes: PDF HTML (Released February 22, 2017)
March	14-15*	Statement: PDF HTML Implementation Note	Press Conference Projection Materials PDF HTML	Minutes: PDF HTML (Released April 05, 2017)
May	2-3	Statement: PDF HTML Implementation Note		Minutes: PDF HTML (Released May 24, 2017)
June	13-14*	Statement: PDF HTML Implementation Note	Press Conference Projection Materials PDF HTML Addendum to the Policy Normalization Principles and Plans	Minutes: PDF HTML (Released July 05, 2017)
July	25-26	Statement: PDF HTML Implementation Note		Minutes: PDF HTML (Released August 16, 2017)

Natural Language Toolkit (nltk)

- Tokenize strings
- Prune stop-words (if desired)
- Investigate intra- and inter-text similarity
- Use measures like tf-idf to identify exemplar words

Natural Language Toolkit (nltk)

- Collect a set of 'telling' words for classification
- Create infrastructure allowing an algorithm to classify new releases

End Result

- Django-based website allowing user input
- Hosts an algorithm trained on past releases
- Classifies new press releases