


Macro-Finance

- WEEK ONE -

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 <https://macrofinance.info>

Trinity Term 2025

- OXFORD SAÏD BUSINESS SCHOOL -

Today: Outline

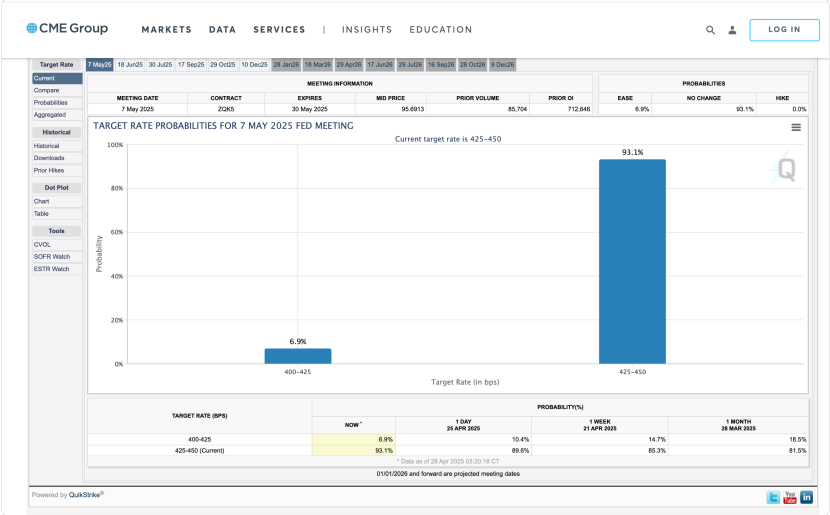
1. Central Banking
2. Financial Globalisation, Risk Sharing, and Spillovers
3. International Capital Mobility and Capital Controls

The Only Game in Town

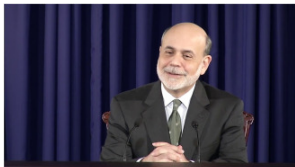
Table Central Bank Balance Sheets: 2023 vs Pre-crisis

Central Bank	Total Assets 2023	% of domestic GDP	Pre-crisis baseline
Federal Reserve	US\$ 8.0 trn (Sept 2023)	≈ 30% GDP	≈ US\$ 0.9 trn, 6% GDP (2007)
Eurosystem	€6.9 trn (Dec 2023)	≈ 44% GDP	€0.91 trn, 10% GDP (2007)
Bank of England	£0.76 trn (mid-2024)	≈ 33% GDP	£0.08 trn (2007)
Bank of Japan	¥754 trn (2024Q2)	≈ 135% GDP	¥140 trn (1998)

Understanding the Central Bank(er)s



Understanding the Central Bank(er)s



Panel A: Ben Bernanke, March 20th 2013

Emotion	Intensity Score
Anger	0.00
Contempt	0.00
Disgust	0.00
Fear	0.00
Happiness	1.00
Neutral	0.00
Sadness	0.00
Surprise	0.00



Panel B: Janet Yellen, December 14th 2016

Emotion	Intensity Score
Anger	0.02
Contempt	0.00
Disgust	0.00
Fear	0.00
Happiness	0.00
Neutral	0.98
Sadness	0.00
Surprise	0.00

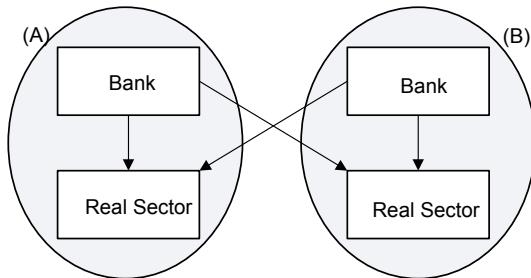


Panel C: Jerome Powell, January 30th 2019

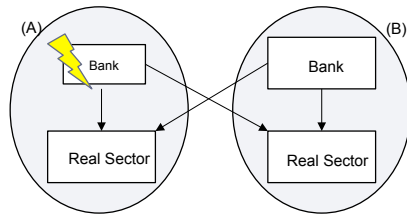
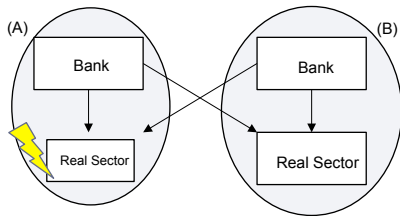
Emotion	Intensity Score
Anger	0.00
Contempt	0.05
Disgust	0.00
Fear	0.00
Happiness	0.00
Neutral	0.04
Sadness	0.91
Surprise	0.00

Real vs. Financial Shocks

In a financially integrated world...



Real vs. Financial Shocks



Capital Controls

