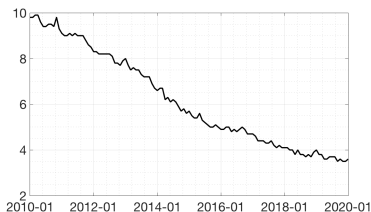
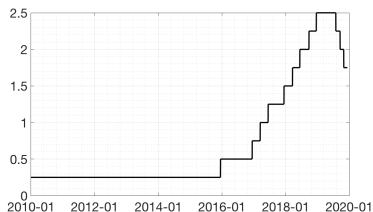


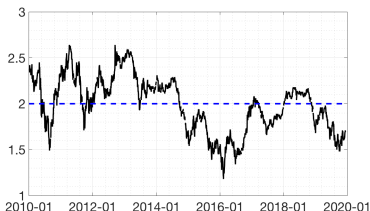
Fall 2019: Fed off the Taylor rule



(a) Unemployment rate, %



(b) Fed funds rate target, upper limit, %



(c) Market-based average inflation expectations over the next 10 years, %

This project

Model anchored expectations as an endogenous gain adaptive learning scheme

- How to conduct optimal monetary policy in interaction with the anchoring expectation formation?