

# **Monetary Policy and the Monetary Transmission Mechanism in Open Economies**

Hong Kong, June 12-13, 2007

Organized with the Department of Economics,  
Hong Kong University of Science and Technology and the  
Hong Kong Institute for Monetary Research

Conference Program

June 12, 2007

Welcome by K. C. Chan, Dean, School of Business and Management, HKUST

Opening Remarks by Sergio Rebelo, Northwestern University

“Capital Flows and Asset Prices,” Kosuke Aoki, Gianluca Benigno, and Nobuhiro Kiyotaki (Princeton University)

Discussant: Kang Shi ( Chinese University of Hong Kong)

“Passthrough at the Dock: Pricing to Currency and to Market?” Gita Gopinath ( Harvard University), Oleg Itskhoki, and Roberto Rigobon

Discussant: Pablo Andres Neumeyer (Universidad Torcuato Di Tella)

“Sticky Prices or Sticky Plans? Evidence from Micro Data,” Martin Eichenbaum (Northwestern University), Nir Jaimovich ( Stanford University), and Sergio Rebelo (Northwestern University)

Discussant: Sofia Villas-Boas ( University of California, Berkeley)

“The Time Varying Volatility of Macroeconomic Fluctuations,” Alejandro Justiniano and Giorgio Primiceri (Northwestern University)

Discussant: Hans Genberg (Hong Kong Institute of Monetary Research)

“Dual Labor Markets and Business Cycles,” David Cook (Hong Kong University of Science and Technology) and Hiromi Nosaka

Discussant: John Kennan ( University of Wisconsin)

“Capital Taxation: Quantitative Explorations of the Inverse Euler Equation,” Emmanuel Farhi ( Harvard University) and Ivan Werning

Discussant: Danyang Xie ( Hong Kong University of Science and Technology)

June 13, 2007

“Money Illusion and Housing Frenzies,” By Markus K. Brunnermeier and Christian Julliard (London School of Economics)

Discussant: Pierre-Olivier Weill (UCLA)

“The Optimal Currency Basket with Input Currency and Output Currency,” By Kang Shi ( Chinese University of Hong Kong) and Juanyi Xu ( Hong Kong University of Science and Technology)

Discussant: Pedro Teles (Portuguese Catholic University)

Welcome and Keynote Speech by Hans Genberg, Director of HKIMR, “Performance of the Hong Kong Dollar Linked Exchange Rate System Since the Reforms of May 2005”

“Financial Factors in Business Cycles” By Lawrence Christiano (Northwestern University), Roberto Motto and Massimo Rostagno

Discussant: Chi-wa Yuen ( Hong Kong University)