



MNB-CEPR-ESRB Macroeconomic Policy Research Workshop

27-28 April, 2017

Hosted by the Magyar Nemzeti Bank

PROGRAMME

Meeting

27 April, THURSDAY

08:00 – 08:50 Registration and welcome coffee

Magyar Nemzeti Bank – Antall József Conference Room
1054 Budapest, Szabadság tér 9 – Main Entrance

08:50 – 09:00 Welcome address

Márton Nagy (Deputy Governor, Magyar Nemzeti Bank)

Session 1

Chair: Márton Nagy (Deputy Governor, Magyar Nemzeti Bank)

09:00 – 09:50

Oliver Bush (London School of Economics):

Monetary vs Macroprudential Policies: Casual Impacts of Interest Rates and Credit Controls in the Era of the UK Radcliffe Report (joint with David Aikman and Alan M. Taylor)

Discussant: Norbert Metiu (Deutsche Bundesbank)

09:50 – 10:40

Jonathan Bridges (Bank of England):

Down in the Slumps: the Role of Credit in Five Decades of Recessions (joint with Chris Jackson and Daisy McGregor)

Discussant: Emil Verner (Princeton University)

10:40 – 11:00 Coffee break

Session 2

Chair: Dániel Palotai (Magyar Nemzeti Bank)

11:00 – 11:50

Toni Ahnert (Bank of Canada):

Rollover Risk, Liquidity and Macroprudential Regulation

Discussant: David Pothier (DIW Berlin)

11:50 – 12:40

Dawid Zochowski (European Central Bank):

When Shadows Grow Longer: Shadow banking with endogenous entry (joint with Anil Ari, Matthieu Darracq Pariés and Christoffer Kok)

Discussant: Paul Schempp (University of Cologne)

12:40 – 14:00 Lunch

Session 3

Chair: Sam Langfield (European Systemic Risk Board)

14:00 – 14:50

Saleem Bahaj (Bank of England):

A Positive Analysis of Bank Behavior under Capital Requirements (joint with Frederic Malherbe)

Discussant: David Martinez-Miera (Universidad Carlos III de Madrid)

14:50 – 15:40

Elena Rancoita (European Central Bank):

Cross-border Banking, Macroprudential Policy and Monetary Policy in a Monetary Union (joint with Matthieu Darrack-Pariés and Christoffer Kok)

Discussant: Michał Brzoza-Brzezina (National Bank of Poland and Warsaw School of Economics)

15:40 – 16:00 *Coffee break*

Session 4

Chair: Szilárd Benk (Magyar Nemzeti Bank)

16:00 – 16:50

Eddie Gerba (Banco de España/LSE/CESifo):

Macroprudential Policy in a Knightian Uncertainty Model with Credit-, Risk-, and Leverage Cycles (joint with Dawid Zochowski)

Discussant: Zsuzsanna Hosszú (Magyar Nemzeti Bank)

16:50 – 17:40

Bence Mérő (Magyar Nemzeti Bank):

Long credit cycles and countercyclical capital buffer in an agent based Keynesian model (joint with Zsuzsanna Hosszú)

Discussant: Tirupam Goel (Bank for International Settlements)

Social event

19:00

Bus transfer

Meeting Point: Magyar Nemzeti Bank Main Entrance

19:30-22:30

Vén Hajó Cruise Ship - Informal dinner

Address: 1052 Budapest, Vigadó Square dock, pier 2



28 April, FRIDAY

09:00 – 09:30 Welcome coffee

Session 5

Chair: Barnabás Virág (Magyar Nemzeti Bank)

9:30-10:20

Filippo De Marco (Bocconi University):

The Real Effects of Capital Requirements and Monetary Policy: Evidence from the United Kingdom (joint with Thomas Wieladek)

Discussant: Ibolya Schindele (Magyar Nemzeti Bank and CEU Business School)

10:20 – 11:10

Liam Kirwin (Bank of England):

Specializing in Risky Mortgages: Unintended Consequences of Basel II (joint with Matteo Benetton, Peter Eckley, Nicola Garbarino, Gergia Latsi and Paolo Siciliani)

Discussant: Katalin Varga (Magyar Nemzeti Bank)

11:10 – 11:30 Coffee break

Keynote Speech

Chair: Anikó Szombati (Magyar Nemzeti Bank)

11:30 – 12:45

Javier Suarez (CEMFI and CEPR):

Assessing the Cyclical Implications of IFRS 9: A Recursive Model

12:45 – 14:00 Lunch

Session 6

Chair: Ádám Banai (Magyar Nemzeti Bank)

14:00-14:50

Luminita Tatarici (National Bank of Romania):

Coping with unsustainable lending: early warning indicators and the use of macro-prudential instruments (joint with Irina Mihai)

Discussant: Tibor Szendrei (Magyar Nemzeti Bank)

14:50 – 15:40

Katalin Varga (Magyar Nemzeti Bank):

FISS – A Factor Based Index of Systemic Stress in the Financial System (joint with Tibor Szendrei)

Discussant: Jan Klacso (National Bank of Slovakia)

16:00 – 17:30 Wine tasting

PARTICIPANTS

	NÉV	INTÉZMÉNY
1.	Ahnert, Toni	Bank of Canada
2.	alFraheen, Wafaa	Central European University
3.	Bahaj, Saleem	Bank of England
4.	Banai Ádám	Magyar Nemzeti Bank
5.	Batten, Jonathan	Monash University/Corvinus Univ
6.	Bauer Péter	Magyar Nemzeti Bank
7.	Benk Szilárd	Magyar Nemzeti Bank
8.	Béres Alexandra	Magyar Nemzeti Bank
9.	Berki Tamás	Magyar Nemzeti Bank
10.	Borkó Tamás	Magyar Nemzeti Bank
11.	Bridges, Jonathan	Bank of England
12.	Briglevics Tamás	Magyar Nemzeti Bank
13.	Brzoza-Brzezina, Michał	Narodowy Bank Polski
14.	Bush, Oliver	London School of Economics
15.	De Marco, Filippo	Bocconi University
16.	Detmers, Gunda-Alexandra	Magyar Nemzeti Bank
17.	Endrész Marianna	Magyar Nemzeti Bank
18.	Fáykiss Péter	Magyar Nemzeti Bank
19.	Fukker Gábor	Magyar Nemzeti Bank
20.	Gerba, Eddie	Banco de España/LSE/CESifo
21.	Goel, Tirupam	Bank for International Settlements
22.	Grosz Gabriella	Magyar Nemzeti Bank
23.	Guloglu, Murat	Central European University
24.	Hosszú Zsuzsanna	Magyar Nemzeti Bank
25.	Ján Klacso	National Bank of Slovakia
26.	Járási István	Magyar Nemzeti Bank
27.	Kirwin, Liam	Bank of England
28.	Kolozsi Pál Péter	Magyar Nemzeti Bank
29.	Körmendi Gyöngyi Mária	Magyar Nemzeti Bank
30.	Kripalani, Siddharth	Central European University
31.	Lakos Gergely	Magyar Nemzeti Bank
32.	Lang Péter	Magyar Nemzeti Bank
33.	Langfield, Sam	ESRB
34.	Lorant Kaszab	Magyar Nemzeti Bank
35.	Martinez-Miera, David	UC3M & CEPR
36.	Mérő Bence	Magyar Nemzeti Bank
37.	Metiu, Norbert	Deutsche Bundesbank
38.	Nagy Gábor	Magyar Nemzeti Bank
39.	Nagy Márton	Magyar Nemzeti Bank
40.	Novák Zsuzsa	Magyar Nemzeti Bank
41.	Palicz Alexandr	Magyar Nemzeti Bank
42.	Palotai Dániel	Magyar Nemzeti Bank
43.	Pena, Satumbo	Central European University
44.	Pothier, David	Technical University Berlin
45.	Rancoita, Elena	European Central Bank

46.	Rariga Judit	Magyar Nemzeti Bank
47.	Rédei Attila	Magyar Nemzeti Bank
48.	Reiff Ádám	Magyar Nemzeti Bank
49.	Rots, Eyno	Magyar Nemzeti Bank
50.	Sajtos Péter	Magyar Nemzeti Bank
51.	Sallay Miklós	Magyar Nemzeti Bank
52.	Schempp, Paul	University of Cologne
53.	Schindele Ibolya	MNB and CEU Business School
54.	Stancsics Martin	Magyar Nemzeti Bank
55.	Suarez, Javier	CEMFI, CEPR
56.	Szabó Gergely	Magyar Nemzeti Bank
57.	Szakács János	Magyar Nemzeti Bank
58.	Székely Barnabás	Magyar Nemzeti Bank
59.	Szendrei Tibor	Magyar Nemzeti Bank
60.	Szilágyi Péter	Central European University
61.	Szombati Anikó	Magyar Nemzeti Bank
62.	Szomorjai Péter	Magyar Nemzeti Bank
63.	Tatarici, Luminita	National Bank of Romania
64.	Troján Tamás	Magyar Nemzeti Bank
65.	Tőrös Ágnes	Magyar Nemzeti Bank
66.	Urbán Ákos	Magyar Nemzeti Bank
67.	Vágó Nikolett	Magyar Nemzeti Bank
68.	Varga Katalin	Magyar Nemzeti Bank
69.	Verner, Emil	Princeton University
70.	Virág Barnabás	Magyar Nemzeti Bank
71.	Zemplényi Áron	Magyar Nemzeti Bank
72.	Żochowski, Dawid	European Central Bank
73.	Zsigó Márton	Magyar Nemzeti Bank

Welcome to Budapest

VENUES

VENUE OF THE MEETING

Magyar Nemzeti Bank – The Central Bank of Hungary

Address: 1054 Budapest, Szabadság tér 9.

Phone: +36 (1) 428-2600

Web address: <http://english.mnb.hu/>

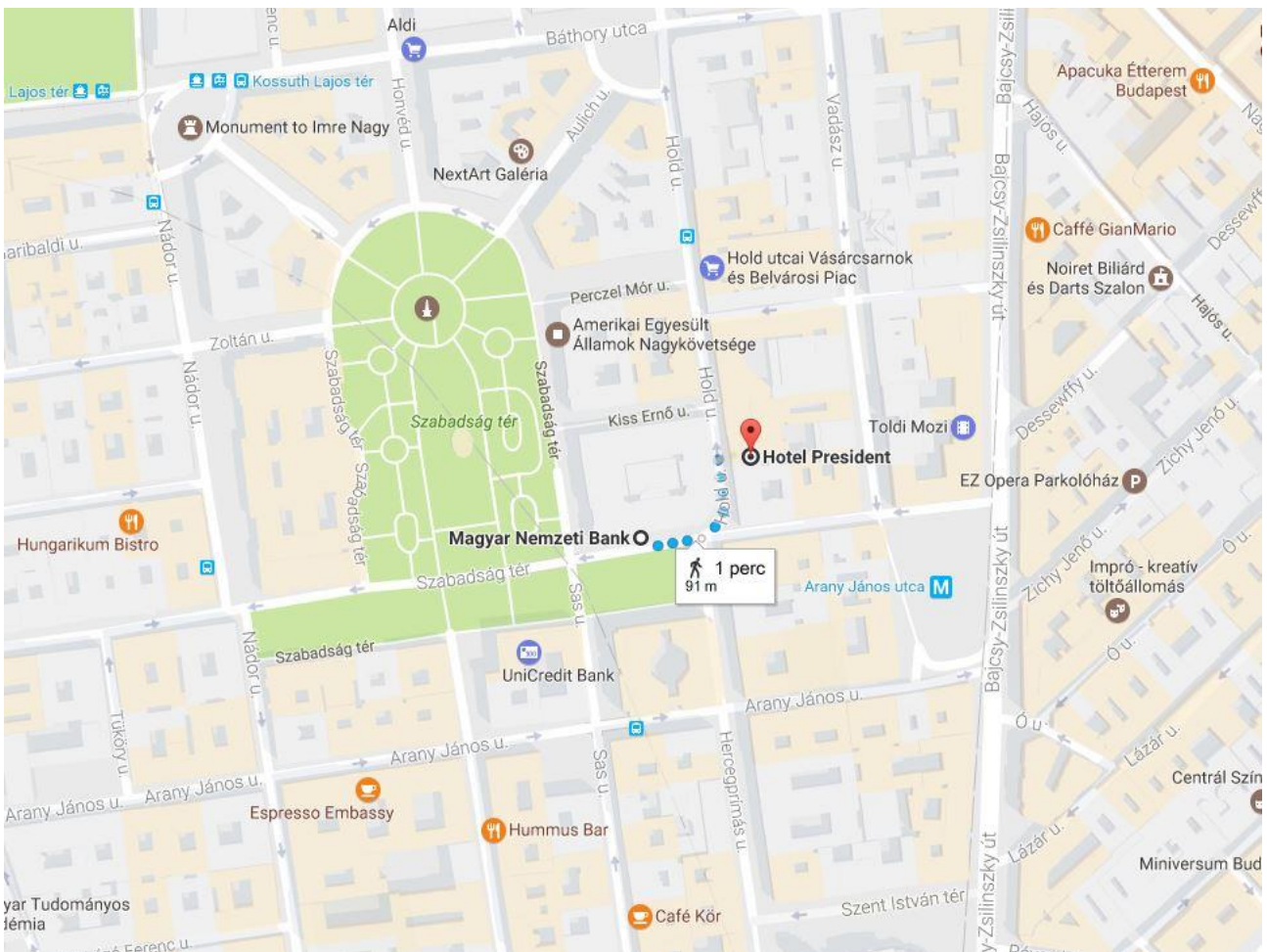
ACCOMMODATION

Hotel President Budapest

Address: 1054 Budapest, Hold u. 3-5.

Phone: +36 (1) 373- 8202

Web: <http://www.hotelpresident.hu/en/>



GENERAL INFORMATION

ARRIVAL IN BUDAPEST

The Budapest Ferenc Liszt International Airport is located approximately 25 km from the city centre and the hotel.

For further information see: <http://bud.hu/english>

Central telephone number for information: +36 1 296 7000

Flight information is available on +36 90 181 818 (premium rate phone number)

MEANS OF TRANSPORTATION BETWEEN THE AIRPORT AND THE HOTEL

Taxi

If you would like to go into town by taxi, order one by phone or take one of the **Főtaxi's taxis** waiting outside the airport. Főtaxi is the official taxi company of Ferenc Liszt International Airport. They have a stand at both terminals (2A and 2B). They operate at a fixed tariff of 280 HUF/Km (0.95 EUR/Km) in addition to the one-off basic fee of 450 HUF (1.50 EUR) and waiting fee. At the taxi stands you can find a map showing tariffs. The estimated travel time is 40 minutes, depending on traffic.

- **transfer fee: approx. HUF 7000** (from airport to inner city)
- **phone: +36 1 222 2222**

miniBUD

MiniBUD is the official airport shuttle service provider for Budapest Airport, it is a kind of collective taxi with a boarding capacity of 8 to 10 passengers. The minibuses handle transfers from the airport to the passenger's accommodation back and forth and it's available 24 hours per day, every day of the year. MiniBUD airport shuttle services desks can be found at both terminals. Tickets can be purchased at the arrival customs area or at the LRI Airport Passenger Service desk in the waiting area. You can pay by cash and credit card at the desks. You can order your minibus online too. The transfer from the airport to the hotel takes approximately 1 hour depending on traffic.

- **transfer fee: approx. HUF 4000** (from the airport to the inner city)
- **for further information see:** <https://www.minibud.hu/en>
- **call center: +36 1 550 0000**

Public transport

If you choose public transport, first you have to take **Bus No 200E** from the airport to Kőbánya-Kispest Metro Station. Ticket from the driver costs HUF 450, or tickets can be bought at a price of HUF 350 at the Customer Service Points of BKK Centre for Budapest Transport at the Airport's Terminals. (24, 48 or 72 hour travelcards for tourists can also be bought.)

Then from "Kőbánya-Kispest" Metro Station you have to take M3 Metro to "Arany János utca" stop (if your destination is MNB, Hotel President, Iberostar Grand Hotel Budapest, Hotel Parlament or Hotel Moments).

Please note that tickets are only valid if you have stamped or punched them

- prior to the start of travel on metro lines M1, M2, M3 and M4 upon entering the station,
- immediately after boarding on other vehicles inside the vehicle.

For tickets and passes visit: <http://www.bkk.hu/en/prices/>

For general information on public transport visit:

http://www.bkk.hu/apps/docs/turisztikai_kiadvany_en.pdf

CREDIT CARDS

Major credit/debit cards can be used to get cash from ATMs in banks and on the streets as well as to pay bills in hotels, restaurants and shops.

EXCHANGING MONEY

All visitors are advised to exchange currency only at accredited places. The majority of banks have 24-hour ATM's some of which can also exchange foreign currency.

Individual banks and travel agencies are free to set their own rates but they must be clearly displayed. Rates offered at *bureaux de change* in the city centre and near the main railway stations are generally better than those available in the banks, at the airport and in hotels.

The Hungarian currency is the Forint. There are coins to the value of 5, 10, 20, 50, 100 and 200 Forints, and banknotes for 500, 1.000, 2.000, 5.000, 10.000 and 20.000 Forints.

ELECTRICITY

Hungary's electricity network operates at 220/230 Volts and uses Schuko-type sockets with two round prongs.

EMERGENCY NUMBERS

General emergency number: 112

Ambulance: 104

Fire service: 105

Police: 107

TIME ZONE

Budapest is on Central European time: GMT+1, Daylight Saving Time (Apr-Oct): GMT+2

CAPITAL CITY

Budapest's up there among the world's most romantic, entertaining capitals. Not nicknamed the "Paris of the East" for nothing, it boasts broad boulevards and green parks, grand Art-Nouveau mansions and vibrantly painted churches, lively cafés and world-class music venues. The city's divided into two parts by the meandering Danube, iconically spanned by several stunning bridges.

Flatter Pest is the country's political and business hub, livelier than its twin across the water. It houses the bulk of the city's restaurants, bars and cafés, alongside classy boutiques and striking 19th-century mansions. Stroll tree-lined Andrassy Avenue, stopping in at the chilling House of Terror in the former secret police headquarters.

THE HOUSES OF PARLIAMENT

The Hungarian Parliament is located on the Pest side of Budapest, between the Margaret and Chain bridges. The neo-gothic building's construction began in 1885, following the blueprints made by Imre Steindl, and was finished in 1904.

The building of the Parliament serves as the permanent seat of the National Assembly. It has 691 rooms, and is 268 metres long and the dome 96 metres high.

Since 2000, the Hungarian coronation symbols — the Holy Crown of Hungary, the sceptre, the orb and the sword — are on display in the Parliament.

<http://www.parlament.hu/en/web/house-of-the-national-assembly>

ST. STEPHEN'S BASILICA

St. Stephen's Basilica is one of the most significant ecclesiastical buildings of Hungary as well as a major tourist attraction of the capital. It serves as the main site of worship for St. Stephen. The Basilica is named after St. Stephen, the founder of the Kingdom of Hungary, whose incorruptible right hand, known as the Holy Right, is kept here as a relic. It is the largest church in Budapest, the dome of which can be seen from all parts of the city. The Classicist Basilica was built between 1851 and 1905. The dome of the building offers a wonderful 360° view of the Budapest.

<http://en.bazilika.biz/>

THE CHAIN BRIDGE

In 1832, count István Széchenyi, (often called: "the greatest Hungarian") organized the Chain Bridge's construction. The bridge's plans were made by William Thierney Clark, who got acquainted with the count in England, and the bridge's construction was directed by the Scottish Adam Clark, who managed to finish the project in 1849, thus putting Hungary's first bridge across the Danube into commission.

HEROES' SQUARE

The spectacular ensemble of statues erected in 1896 to commemorate the thousandth anniversary of the Hungarian Conquest of the Carpathian Basin. The lower pedestal is occupied by the ornate horseback statues of the seven Hungarian leaders who led the Hungarian nation into the Carpathian Basin in 896 AD, and the middle of the square is dominated by the Tomb of the Unknown Soldier. The Heroes' Square is a part of the UNESCO World Heritage.

On the Square's left side the Museum of Fine Arts can be found, which is closed for renovation of the building until March 2018. On the right side is the Art Hall, giving home to temporary exhibitions in Budapest. Behind Heroes' Square is the City Park which has several entertainment and cultural facilities, such as: the Budapest Zoo, the Municipal Circus and the Vajdahunyad Castle.

Hilly Buda falls on the western side of the river. Wander among the sights of its cobbled **Castle District** (perched atop Castle Hill) after a vertical ride on the funicular railway or a winding hillside walk, and have your breath taken away by views at the top.

THE BUDA CASTLE DISTRICT

The view of the Danube embankments and the Buda Castle District are also listed as a part of the UNESCO World Heritage. In the castle district, visitors get a distinct feeling that they have travelled back in time, to a different, totally tranquil world, where the doorways of the Baroque residential homes hide historical Roman stones and beautifully carved statues from the time of knights. The former Royal Palace and its supply buildings are an organic but separate part of the Castle District.

MATTHIAS CHURCH

The more than 700 years old church which is located in the Buda Castle District and is one of the 'must see' sights of Budapest. The records from 1247 first mention this church as the main church of Buda Castle. From 1247, when it was the main church of the Buda Castle, this early-gothic styled church had a colourful history. It has been rebuilt and expanded many times over the centuries and once, when the Turks invaded Hungary, this church was turned into a mosque. Later, between the years 1874 and 1896, Frigyes Schulek completely reconstructed the building in the neo-gothic style to give it its current look.

MARGARET ISLAND

Budapest's finest green area is the Margaret Island, located in the middle of the river Danube between the Margaret and Árpád bridges. The 100 hectares of parkland is kept peaceful and quiet thanks to its ban on vehicular traffic. The island is beautiful and has very varied sights. You can see: century-old chestnut avenues; English, Japanese and French gardens; the ruins of a nunnery; and an old water tower.

BATHS

SZÉCHENYI THERMAL BATH

This bath is one of the largest spa complexes in Europe. The complex's thermal water comes from a depth of 1250 meters and its temperature is usually between 23°C to 25°C. The water also contains medicine that can help in curing the disorders of joints of the hips and knees, chronic arthritis, rehabilitation after orthopaedic surgery and trauma – vertebral disease, chronic arthritis in inactive stages and neuralgic pain.

Address: XIV. Budapest Állatkerti út 11.

GELLÉRT THERMAL BATH

This is Budapest's finest thermal bathing complex, still displaying original art nouveau fittings, colourful mosaics, marble columns and stained glass windows and statues. The waters here contain calcium, magnesium, alkali chloride and sulphate and have been used for nearly 2000 years. The present building was erected in 1918.

Address: XI. Budapest, Kelenhegyi út 4.

SHOPPING

CENTRAL MARKET HALL

Visit the Central Market Hall at end of Liberty Bridge to combine shopping with sightseeing. Most of the stalls on the ground floor offer popular souvenirs such as paprika and wine from Tokaj.

Address: V. Budapest, Vámház körút 1-3.

ANDRÁSSY AVENUE – LUXURY SHOPS

Andrássy Avenue, a part of the UNESCO World Heritage, is an iconic boulevard in Budapest dating back to 1872. It is one of Budapest's main shopping streets, with fine cafes, restaurants, theatres, and luxury boutiques. Most of the buildings that can be found on the avenue were built in the Eclectic and Neo-renaissance styles; probably, the most outstanding structure is the State Opera House. One of the Avenue's greatest attractions is the Millennium Underground Railway. This was the second underground railway to be built world-wide, and the first in the continent.

RESTAURANT

BUDAPEST BISZTRÓ

Legendary Gulyás soup....The most well-known dish of Hungarian cuisine and with good reason. This embodies everything the Budapest Bistro's philosophy represents. In our restaurant that seats more than a 100 persons inside and 150 on our terrace, we welcome our domestic and foreign guests with dishes that provide a casual or fine dining experience which is enhanced by our comfortable 510 m2 establishment. We take the conventional flavours which are based on the rich Hungarian gastronomical traditions and we fuse them with the expectations of the highest quality in modern gastronomy. We offer downtowns widest breakfast selection, handmade cakes and homemade pastries to those who like to enjoy food made to perfection and „life itself” just like us.

Address: V. Budapest, Vécsey utca 3.

http://budapest-bistro.hu/home_en.html

THE SPEIZ

The SPEIZ (Pantry) on Castle Hill with its cosy informal atmosphere encourages everyone who is curious about gastronomy and loves traditional Hungarian culinary delights to rediscover the Castle District. Its ancient walls, winding streets, tranquillity, mysterious vaulted gateways, the enigmatic whisper of past glory and, last but not least, the homely atmosphere of the SPEIZ are sufficient to entice you to walk into the Castle District, leaving behind your gas guzzler and forgetting about entry barriers.

Address: I. Budapest, Hess András tér 6.

<http://www.varaspeiz.hu/?lang=EN>

BOCK BISZTRO

Bock Bistro is the creation of an award winning chef and a celebrated sommelier. For an outstanding value-for-money rate, Bock Bistro was awarded the “Bib Gourmand” qualification by Michelin Guide in March 2010. The bistro style restaurant offers Hungarian flavours, some Spanish tapas and naturally a great wine list. Wine tasting dinners are also offered.

Address: VII. Budapest, Erzsébet körút 43-49.

<http://bockbisztropest.hu/en/>

WINEKITCHEN

"What is my philosophy? I would like to create a kitchen full of flavours. If I had to define my style, I would say that it is open to any influences. As I get inspiration from the Transylvanian cuisine, I'm also ready to use Spanish, French or Italian ingredients. My aim is to show the many facets of the traditional Hungarian cuisine by using contemporary approach and kitchen technology."

Address: V. Budapest, Sas utca 3.

<http://www.borkonyha.hu/?lang=eng>

RÉZKAKAS BISTRO

The Rézkakas Bistro in downtown Budapest is both a repository and a mindful proponent of tradition, whose chef will initiate you into the mysteries of classic Hungarian cuisine, while feeling perfectly at home in the world of international gastronomy, as well. In addition to great food, the bistro offers a selection of the best wines from Hungary's most prestigious vineyards, while its musicians amaze diners every evening with excellent virtuoso Gypsy music. At the Rézkakas Bistro, employees make every effort to give guests an unforgettable dining experience. But don't take our word for it; come to the Rézkakas and see for yourself!

Address: V. Budapest, Sas utca 3.

<http://www.rezkakasbistro.hu/>

NOTES



MAGYAR NEMZETI BANK
PROTOCOL AND EVENT MANAGEMENT

2017