

# Understanding inflation dynamics: the role of costs, mark-ups and expectations

Brussels, 25 and 26 October, 2018  
International conference organised by the National Bank of Belgium

## Thursday October 25

- 8.45 Registration  
9.15 Welcome and Introduction : T. Dechaene, member of the NBB Board of Directors

### Session 1 Inflation expectations

Chair: T. Dechaene, member of the NBB Board of Directors

- 9.30 **Can inflation expectations in business or consumer surveys improve inflation forecasts?**  
R. Basselier, D. de Antonio Liedo, J. Jonckheere and G. Langenus (National Bank of Belgium)  
Discussant: C. Jardet (Banque de France)
- 10.15 **Quantile-based inflation risk models**  
E. Ghysels (University of North Carolina), L. Iania and J. Striaukas (Louvain School of Management)  
Discussant: S. Manganelli (ECB)
- 11.00 Coffee break
- 11.30 **Inflation expectations as a policy tool?**  
Keynote presentation by Olivier Coibion (University of Texas – NBER)
- 12.30 Lunch

### Session 2 Price dynamics with sector and firm level shocks

Chair: V. Magnée, member of the NBB Board of Directors

- 14.00 **International food commodity prices and missing (dis)inflation in the euro area**  
G. Peersman (Ghent University)  
Discussant: H. C. Bjørnland (Norwegian Business School)
- 14.45 **Pipeline pressures and sectoral inflation dynamics**  
F. Smets (ECB, Ghent University and CEPR), J. Tielens (KU Leuven and National Bank of Belgium) and J. Van Hove (KU Leuven – KBC-Group)  
Discussant: H. Dixon (Cardiff Business School)
- 15.30 Coffee break
- 16.00 **Price updating in production networks**  
C. Duprez (National Bank of Belgium) and G. Magerman (ECARES/ULB and National Bank of Belgium)  
Discussant: M. Crowley (University of Cambridge)
- 16.45 **Dominant currencies. How firms choose currency invoicing and why it matters**  
M. Amiti (New York Fed), O. Itskhoki (Princeton) and J. Konings (KU Leuven)  
Discussant: Ph. Sauré (Johannes Gutenberg Universität Mainz)

# Friday October 26

8.45 Registration

## Session 3 Micro and macro perspectives on price dynamics

Chair: **P. Wunsch**, Vice-Governor of the National Bank of Belgium

9.00 **Endogenous forward guidance**

**B. Chafwehé** and **R. Oikonomou** (UCL), **R. Priftis** (Bank of Canada) and **L. Vogel** (European Commission)

Discussant: **D. Debortoli** (Universitat Pompeu Fabra)

9.45 **Is euro area lowflation here to stay? Insights from a time-varying parameter model with survey data**

**A. Stevens** and **J. Wauters** (National Bank of Belgium)

Discussant: **E. Mertens** (Deutsche Bundesbank)

10.30 Coffee break

11.00 **A price index with variable mark-ups and changing variety**

**T. Demuyne** (ECARES/ULB) and **M. Parenti** (ECARES/ULB and CEPR)

Discussant: **G. Gaulier** (Banque de France)

11.45 **Markup and price dynamics: linking micro to macro**

**J. De Loecker** (Princeton – KU Leuven), **C. Fuss** (National Bank of Belgium) and **J. Van Biesebroeck** (KU Leuven)

Discussant: **P. Davis** (Cornerstone Research)

12.30 Lunch

## Panel session: Price setting and inflation dynamics in the new economy

14.00 **Panelist: D. Coyle** (University of Cambridge)

**J. Fernald** (INSEAD)

**A. Walckiers** (Belgian Competition Authority)

**Moderator: M. Dewatripont** (ECARES/SBS-EM/ULB)

15.30 Coffee break

### Lamfalussy lecture

Chair: **J. Smets**, Governor of the National Bank of Belgium

16.00

### Keynote presentation:

**M. Draghi** (President of the European Central Bank)

17.15 Reception

## Venue

National Bank of Belgium

Auditorium

rue Montagne aux Herbes potagères 61

1000 Brussels