



Money, Credit, and Finance

Economics Master's Program

WU Vienna

Guido Schäfer

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Instructors

Aurel Schubert

Honorary Professor, WU Vienna

Former Director General Statistics, European Central Bank,

Guido Schäfer

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Structure

PI: Field Course

- 3 weekly hours/ 6 ECTS
- Covers major topics in monetary economics & the financial sector as well as selective current policy issues

Research & Policy Seminar

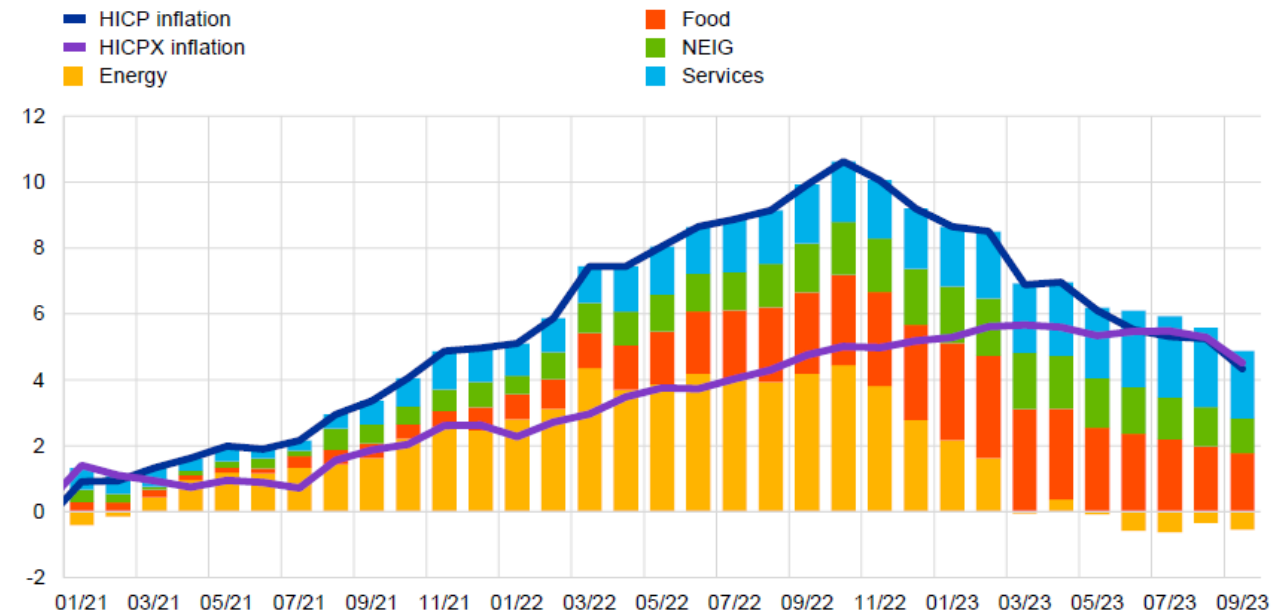
- 2 weekly hours/ 4 ECTS
- Focus on specific topic and student projects, lab

⇒ All students registering for the R&P Seminar get automatically registered also for the Lecture

After the surge...

Headline inflation and its main components

(annual percentage changes; percentage point contributions)



Sources: Eurostat and ECB calculations.

Notes: NEIG stands for non-energy industrial goods. The latest observations are for September 2023.



Lecture

Field Course Monetary Policy and the Financial Sector

- Lectures, discussions and assignments based upon original research articles
- Theoretical and empirical analysis at advanced level
- Focus on microeconomic foundations and empirical microevidence against the macroeconomic backdrop
- Essays on research papers, no final exam

„Classical“ topics in monetary policy and financial regulation

- Optimal monetary policy, monetary policy strategies, inflation expectations and central bank communication, the effectiveness of monetary policy, financial stability and macroprudential policy, ...

Current topics in monetary policy and financial regulation

- After the surge – Analyzing the recent rise in inflation rates
- Greening monetary policy

Special event with international guest speaker on current policy issue

Previous guest speakers:

- Jürgen Stark, former Chief Economist, European Central Bank
- Peter Praet, former Chief Economist, European Central Bank
- Michael Bordo, Board of Governors Professor of Economics and Distinguished Professor of Economics, Rutgers University
- Stefan Gerlach, former Vice Governor, Central Bank of Ireland
- Claudio Borio, Bank for International Settlements
- Hugh Pill, Chief Economist, Bank of England



Research and Policy Seminar

Focus on special topic

Lab for innovative approaches

- Learning advanced analytical methods
- Discussing current research papers „at the frontier of current knowledge“
- Mix of presentations by instructor and by students
- Close interaction with instructor, focus on student projects
- Option to turn interesting projects into a Master’s Thesis

Fall 2024: Text mining applications in central banking and financial markets

Text mining

- Using text as data for making numerical predictions!
- We will use central bank policy statements as text corpus.
- For their own projects, students can explore other corpora: e.g. Willhaben housing ads, financial news, ESG reports,...



- Policy rates
- Stock Prices
- Inflation
- GDP growth,...



Research and Policy Seminar

Examples for text mining applications

- Deciphering Fed speak
- Fed talk versus Fed actions
- How does news flow affect expectations about inflation?
- Predicting stock prices from financial news reports
- „Greening announcements“ and the response of financial markets
- Understanding news flow in times of financial crises
- ... and many more



Job prospects

About 20 percent of WU master econ graduates work in the financial sector!

Good preparation for **jobs** in central banks, regulatory agencies, finance ministries, banks, insurance companies, investment firms, financial consultancies, fintechs ...