

Ph.D. Seminar in Empirical and Theoretical Economics
SoSe 2025
Department of Economics

This semester, the PhD seminar takes place as a block seminar on Friday, July 11. The idea is to foster interaction between PhD students and faculty and have a day with active discussions. The seminar runs from 9am until 12pm followed by a joint lunch. If you plan to attend the lunch, please send me an email by July 8 (ole.wilms@uni-hamburg.de).

Date: 11.07.25 09:00-12:00

Location: VMP 9 S07

Format: 25 minutes for presentations, 20 minutes for discussions

Schedule:

Time	Speaker	Title
09:15-10:00	Presenter: Peter Mihaylovski	Recourse versus Non-recourse Mortgage Debt and Costly State Verification
10:00-10:45	Presenter: Roland von Campe	Low Inflation and Price Puzzles of QE in the Four-Equation New Keynesian Model with Cost Channel
10:45-11:00	Coffee break	
11:00-11:45	Presenter: Eric Offner	Monetary Policy Transmission to Investment: Evidence from a Survey on Enterprise Finance
12:00	Lunch	

Presenter: Peter Mihaylovski

Title: Recourse versus Non-recourse Mortgage Debt and Costly State Verification

Abstract: This paper examines the impact of deficiency judgments on LTV ratios and mortgage spreads. To this end, I develop a DSGE housing model featuring savers and borrowers that allows for strategic default and an endogenous loan-to-value (LTV) ratio to examine the macroeconomic effects of mortgage recourse. The analysis shows that real house prices, endogenous LTV ratios, and mortgage debt are positively correlated with recourse tightness, while the mortgage spread tends to exhibit a negative correlation. Additionally, the findings suggest that the default rate among borrowers is strongly and positively linked to the LTV ratio. Therefore, despite the higher penalties associated with deficiency judgments, default rates increase. These findings underscore the complex trade-offs of mortgage recourse, offering critical insights into its role in shaping housing and economic stability. Finally, mortgage recourse is found to be welfare-improving only for savers as it serves as an insurance in the case of borrowers' default.

Presenter: Roland von Campe

Title: Low Inflation and Price Puzzles of QE in the Four-Equation New Keynesian Model with Cost Channel

Abstract: In light of the low inflation experience with quantitative easing (QE), I study inflation responses from a small-scale New Keynesian modeling perspective. I motivate a cost channel transmitting through the long end of the yield curve. As a limiting case, I derive a condition under which an expansionary QE policy has unintended consequences, leading to a decline of inflation---what I refer to as self-defeating QE. In addition, there is a case of QE-defeating interest rate policy (IRP) as simulation results show that the output gap coefficient in the Taylor rule is crucial for inflation under QE even if the added cost channel vanishes and a binding zero lower bound (ZLB) is imposed. The main policy implication is: Under any configuration of the cost channel, a sufficiently but not too persistent QE policy can prevent an unintended inflation outcome if the output gap response of the (future) short-term policy rate is sufficiently small.

Presenter: Eric Offner

Title: Monetary Policy Transmission to Investment: Evidence from a Survey on Enterprise Finance

Abstract: We study how survey-based measures of funding needs and availability impact the transmission of euro area monetary policy to corporate investment. We first provide evidence that firms' funding needs are primarily driven by future investment opportunities, whereas their perceived funding availability is closely related to financial conditions. Using these two variables, we explore how the effectiveness of monetary policy varies depending on fundamentals and financial conditions. Our findings reveal two key insights: first, monetary policy is most effective when fundamentals are strong. Second, firms with favourable financial conditions display a more muted investment response to monetary policy. These results shed new light on the transmission of monetary policy to investment, emphasizing not only the pivotal role of financial conditions, but also the critical importance of structural factors that lie beyond the direct control of central banks.