Anshumaan Tuteja

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Address	University of Warwick
	Department of Economics
	CV4 7AL Coventry
	United Kingdom
Phone	+44 7729 231692
E-mail	a.tuteja.1@warwick.ac.uk
Web	anshumaan-tuteja.github.io

EDUCATION

2019-	**Ph.D. in Economics**
	Department of Economics, University of Warwick (submitted)
2017-19	**M.Res. in Economics**
	Department of Economics, University of Warwick (Distinction)
	Dissertation: Transmission of Monetary Policy in the Euro Area
2015-17	**M.Phil. in Economics**
	Delhi School of Economics, University of Delhi (First class)
	Dissertation: Monetary Policy in India: An Analysis and Transmission
2013-15	**M.Sc. in Economics**
	Department of Policy Studies, TERI SAS, Delhi (First Class)
	Dissertation: Assessing the Functioning of Clean Development Mechanism
2009-12	**B.A. (Hons) in Economics**
	S.G.T.B. Khalsa College, University of Delhi (First Class)

RESEARCH INTERESTS

Monetary Economics, International Economics, Macro-Finance

WORKING PAPERS

What explains the stock market's response to QE policy? Evidence from decomposition of the S&P500 index (Job market paper)

Abstract: This paper analyses the effects of Quantitative easing (QE) on the US stock market by decomposing the S&P500 index into two components, its risk-neutral fundamental value, and the equity premium. The causal effects of QE are identified by using a state-of-the-art IV that is based on high-frequency price revisions of the medium-long end of the yield curve, triggered by FOMC policy announcements. The IV is constructed by controlling for both information and risk premia shocks to identify QE policy shocks. Findings from a Structural Vector Autoregression (SVAR) model suggest that an expansionary QE policy shock results in a positive response of the stock index, influenced by an increase in the risk-neutral fundamental component and decline in the equity premium component. Both components display persistence, with the equity premium response declining gradually over a period of two years. This confirms the central bank's ability to compress risk premium not only in the bond market, but also in the stock market.

WORK IN PROGRESS

Monetary policy signals and shocks in the Euro Area (with Lucrezia Reichlin, Giovanni Ricco and Emanuele Savini)

Abstract: High frequency surprises in financial markets data are a popular choice for constructing an instrument to identify the effects of monetary policy shocks. However, these surprises are a combination of monetary policy,

information shocks and risk premium shocks, which may lead to empirical puzzles. In this paper, we show how to isolate monetary policy shocks using high frequency financial markets surprises from the Euro Area. We control for information shocks using the information set of market participants and then extract four factors with structural interpretations – conventional policy, forward guidance, quantitative easing, and country risk. Using these factors as external instruments in a Structural Vector Autoregression model, we demonstrate that isolating monetary policy shocks eliminates various empirical puzzles in impulse response functions. Results for policy shocks suggest that target and QE shocks are equally effective in achieving desired effects on inflation and output. In addition, shocks to country risk premia negatively impacted Italian industrial production and the European stock market. Related **VoxEu** article: *The two dimensional feature of ECB monetary policy*

Spillover effects of Euro Area monetary policy (with Giovanni Ricco and Emanuele Savini)
Abstract: We examine the spillover effects of the European Central Bank's Quantitative Easing (QE) programs on the Western African Economic Monetary Union (WAEMU). The peg of WAEMU against the Euro enables us to focus on the trade and financial channels of international transmission. We estimate bilateral VAR models consisting of national macroeconomic and financial data at monthly frequency. Using High frequency identification approach, we study the responses to a structural exogenous QE policy shock. We show that an expansionary shock in the Euro Area results in spillovers to the money market, the stock index and exchange rate with the US dollar. The impact on output and prices is modest, and there is significant heterogeneity in the response of member nations. These results are consistent with a lack of spillovers through the trade channel.

Monetary transmission to financial markets in Euro Area
Abstract: This paper examines the impact of monetary policy and risk premium shocks on financial markets in the Euro Area using an event study approach. The measure for shocks are obtained using factors extracted from high frequency surprises in financial market data that are orthogonal to information shocks – conventional policy, forward guidance (FG), quantitative easing (QE) and country risk factor, the latter being specific to Euro Area sovereign bond markets. I find that all factors impact risk-free and sovereign bond yields. The QE factor has the largest impact on exchange rates. The risk factor makes a significant impact on Italian and Spanish bonds, and the largest impact on the stock index among all factors. The effect of each factor differs in its persistence based on the maturity of sovereign bonds. The FG and QE factor had a greater effect, and for longer, in other asset classes of the financial market.

The role of labor markets in household inflation expectations (with Christine Braun and Gavin Hassall)
Abstract: We investigate whether households utilize experiences and expectations of their own labour market outcomes to predict aggregate inflation expectations. To examine this, we calibrate the learning process of households using the New York Fed Survey of Consumer Expectations in a DSGE search model with imperfect information. Preliminary results suggest that households form aggregate inflation expectations by utilizing prior expectations on aggregate inflation but do not update them in response to their expected labour market outcomes. We study the implication of the lack of updating in a simulation exercise. In comparison to a model with optimal learning, the output gap between perfect and imperfect information is more volatile when the estimated learning process is calibrated to the data.

BOOK CHAPTER
Monetary Transmission in the Indian Economy (with Pami Dua), in Macroeconometric Methods, 2023. 97-122.

CONFERENCES & PRESENTATIONS
Asian Meeting of the Econometric Society 2024 (Accepted), 18th Annual Conference at Indian Statistical Institute (2023), Warwick PhD conference 2023 (Poster), Applied Young Economist Webinar (2023), Indian Institute of

Technology Kanpur (2023), 11th Winter School Conference at Delhi School of Economics (2016), Asian Meeting of the Econometric Society (2016)

TEACHING EXPERIENCE

10/2021-11/2021	EC9A2 **Advanced Macroeconomics** for Prof. Omer Moav
10/2020-11/2020	EC9A2 **Advanced Macroeconomics** for Prof. Giovanni Ricco
10/2018-06/2020	EC201 **Macroeconomics 2**
10/2019-06/2020	EC226 **Econometrics 1**

PROFESSIONAL EXPERIENCE

Internship

7/2020-9/2020	Part-time Traineeship, European Stability Mechanism

Research Assistant

7/2021	Prof. Lucrezia Reichlin and Prof. Giovanni Ricco
6/2020-7/2020	Prof. Giovanni Ricco

OTHER POSITIONS

2019-2021	**Organiser, Macro & International reading group**
	Department of Economics, University of Warwick

AWARDS & SCHOLARSHIPS

2017- 23	**Departmental Scholarship**
	Department of Economics, University of Warwick
2015- 17	**UGC Non-National Eligibility Test Fellowship**
	University Grants Commission of India
2012	**Dr. Jasjeet Kaur Memorial Scholarship for Best Student in Economics**
	S.G.T.B. Khalsa College

SKILLS

Modelling	MATLAB, Stata, Python, RATS, EViews
Other tools	LaTeX, MS Office
Languages	English: Fluent, Hindi: Native, Punjabi: Fluent

REFERENCES

Prof. **Giovanni Ricco**	Prof. **Ana Galvao**	Dr. **Christine Braun**
CREST and University of Warwick	University of Warwick	University of Warwick
g.ricco@warwick.ac.uk	Ana.B.Galvao-Soares-Ferreira @warwick.ac.uk	christine.braun@warwick.ac.uk