



BANK ĊENTRALI TA' MALTA  
EUROSISTEMA  
CENTRAL BANK OF MALTA

## ANNUAL RESEARCH WORKSHOP 2019

Binja Laparelli, Central Bank of Malta, Valletta  
Monday, 18 November 2019  
09:00 – 13:00

### Programme

- 09:00**      **Registration**
- 09:30**      **Opening remarks**  
Aaron G. Grech: Chief Economist, Central Bank of Malta
- 09:45**      **FINANCIAL INTERMEDIATION, MONETARY AND MACROPRUDENTIAL POLICIES**  
Stefano Neri: Banca d'Italia
- Q&A session
- 10:30**      **Coffee break**
- 11:00**      **CBM PANEL ON STRUCTURAL MODELLING ACTIVITIES IN THE RESEARCH DEPARTMENT**
- Presentation on re-estimation of STREAM**  
Noel Rapa: Principal Research Economist, Central Bank of Malta
- Presentation on extension of MEDSEA with financial frictions**  
William Gatt Fenech: Principal Research Economist, Central Bank of Malta
- Q&A session
- 12:00**      **OPERATIONAL AND CYBER RISK DRIVERS**  
Leonardo Gambacorta: Bank for International Settlements
- Q&A session
- 12:45**      **Closing remarks**  
Alexander Demarco: Deputy Governor Monetary Policy, Central Bank of Malta

## SPEAKERS' BIOGRAPHY

### AARON G. GRECH

CHIEF ECONOMIST, **CENTRAL BANK OF MALTA**



Dr Aaron G Grech is Chief Officer, Economics at the Central Bank of Malta and is the Deputy Chairman of the Malta Statistics Authority. He is a board member of the Faculty of Economics, Management and Accountancy of the University of Malta and a member of the Maltese Government's Pensions Strategy Group. Prior to this, Dr Grech was an economic advisor at the UK Government's Department for Work and Pensions. He formed part of European Commission taskforces assessing pension reforms and evaluating future policy co-ordination, and participated in EU research projects on pensions, including technical assistance to the Federal Court of Auditors of Brazil. He has authored a number of academic articles and contributed to books on pensions and was a research fellow for seven years at the London School of Economics. Dr Grech holds degrees from the London School of Economics, University College London and the University of Malta.

### STEFANO NERI

DEPUTY HEAD, ECONOMIC OUTLOOK AND MONETARY POLICY DIRECTORATE, **BANCA D'ITALIA**

Stefano Neri earned his Ph.D. in Economics at the University Pompeu Fabra in 2003. He joined the Monetary Analysis Division in the Research Department of the Banca d'Italia in 2000. He was Head of the Monetary Analysis Division in the Economic Outlook and Monetary Policy Directorate between 2013 and 2016. He is currently Deputy Head of the Economic Outlook and Monetary Policy Directorate. His research has focused on monetary policy and its transmission mechanism, macroeconomic modelling and the role of credit markets and banking in the transmission of monetary policy. More recently he has been conducting research on the low interest rate, focusing in particular on the role of demographic developments, and inflation expectations.



## **NOEL RAPA**

PRINCIPAL RESEARCH ECONOMIST, **CENTRAL BANK OF MALTA**



Noel Rapa is a Principal Research Economist in the Research Department of the Central Bank of Malta. He was previously responsible for producing the Bank's macroeconomic forecasts. In his current role, Mr Rapa has conducted and published research in a range of macroeconomic topics, both locally and in international peer-reviewed publications. He is part of the ECB's Working Group on Econometric Modelling and has participated in a number of research teams and task forces such as the Exchange Rate Pass-Through team and the Task Force on Structural Reforms. He is also responsible for the development of structural and econometric models at the Bank. His main research interests lie in time-series and DSGE modelling, macro-financial linkages, macro-prudential policies and international competitiveness. Mr Rapa holds degrees in economics from the University of Malta and the University of Warwick and is a member of the European Economic Association.

## **WILLIAM GATT FENECH**

PRINCIPAL RESEARCH ECONOMIST, **CENTRAL BANK OF MALTA**

William Gatt Fenech is a Principal Research Economist in the Research Department. He contributes to the development of the Bank's DSGE models and carries out research on household saving behaviour and on the housing market. He also delivers training courses on econometrics and econometric software to Bank staff. Mr Gatt Fenech used to prepare the Bank's inflation forecasts. He is currently a Ph.D. candidate at the School of Economics, University of Nottingham, conducting research on the implementation and the distributional effects of borrower-based macroprudential policy. He has written several articles featuring in the Bank's publications, and has published in a number of international peer-reviewed journals. He has delivered lectures and tutorials at the University of Malta and University of Nottingham and has supervised dissertations in economics and banking and finance. He holds degrees in economics from the University of Malta and is a member of the European Economic Association and the Society for Computational Economics.



## **LEONARDO GAMBACORTA**

**HEAD OF THE INNOVATION AND THE DIGITAL ECONOMY UNIT  
BANK FOR INTERNATIONAL SETTLEMENTS**

Leonardo Gambacorta is the Head of the Innovation and Digital Economy Unit at the Bank for International Settlements. Before taking up his current position, Leonardo was Research Adviser (2014-2018) and Head of Monetary Policy (2010-2012) in the Monetary and Economic Department. He was also Head of the Money and Credit Unit (2007–2009) and Head of the Banking Sector Unit (2004–2006) of the Research Department of the Bank of Italy. He was a visiting scholar at the National Bureau of Economic Research (2002–2003). He holds an M.Sc. in Economics from the University of Warwick and a Ph.D. in Economics from the University of Pavia. His main interests include the monetary transmission mechanisms, the effectiveness of macroprudential policies on systemic risk and the effects of technological innovation on financial intermediation. He is a research fellow of the Centre for Economic Policy Research.



## **ALEXANDER DEMARCO**

**DEPUTY GOVERNOR, CENTRAL BANK OF MALTA**



Alexander Demarco was appointed Deputy Governor of the Central Bank of Malta on 1 January 2014 and re-confirmed on 1 January 2019. Prior to his appointment, he held the post of Head, Financial Stability Department of the Bank. He joined the Bank in 1984 and for most of his career worked in the Bank's Economic Research Department as a senior economist, and subsequently was appointed as Head of the EU and International Relations Department. He graduated B.A. (Hons) in Economics from the University of Malta, and read for his master's degree at the University of Warwick, UK, specialising in International Monetary Economics and International Trade.

During his career at the Bank, he was directly involved in the construction of the Bank's first econometric model and responsible for the Bank's macroeconomic projections.

He was also actively involved in Malta's EU membership preparations and negotiations, and subsequently in exchange rate policy considerations in connection with the preparations for participation in ERM II prior to Malta's membership in the Eurosystem. He also published a number of articles in the Bank's publications. Mr Demarco was a member on the Board of Supervisors of the European Banking Authority and Supervisory Board of the European Central Bank until July 2017, after which he was appointed Deputy Governor responsible for monetary policy.