

# Presentation 1 comments:

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### General comments:

- it's best to submit in immutable formats (PDF, etc)
- group 1 had the best presentation overall
- only one group looked at the whole BoP, but didn't analyze in-depth, that's a shame
- only one group had explicit recommendations for the QPM model, which was kinda the point of the presentation

### Group 1:

- overall best presentation, also quite good in absolute terms
- correctly identified the key role of oil for basically all important variables
- great points about FX regime and its impact on inflation volatility, import of monetary policy
- the only two (minor) downsides:
  - did not analyze the whole BoP / CBA foreign reserves (where did all the money from oil go?)
  - didn't explicitly say in what ways is the baseline QPM different from the Azeri economy

### Group 2:

- correctly identified the key role of oil for GDP, especially when looking at the BoP (big plus)
- big plus on section about the QPM model
- there are some weird things:
  - slide 7 talks about real growth rates, but you show nominal GDP shares - not really the same thing
  - slide 9 - "Nominal exchange rate is undervalued in comparison with REER especially since 2003" that's a nonsensical statement
  - slide 11 - money growth does not mean expansionary monetary policy - if economy is growing, then money needs to grow too
  - slide 12 - so close to greatness, but not quite there...

### Group 3:

- correctly identified the key role of oil
- slide 6 is quite correct about FX impact on inflation, but slide 4 lists almost all reasons you could think of for high inflation... Slide 6 is correct :)
- slide 7 - good, understanding the key point

- but no mention of how we should modify our QPM?

#### **Group 4:**

- kinda DIY presentation - just give charts, let people make their own conclusions?
- it's kinda hard to give comments, cause the presentation didn't really do

#### **Group 5:**

- correctly identified the key role of oil
- we usually analyze real GDP primarily, but nominal can also be interesting
- slide 6 - BoP is always balanced (HINT: it's in the name)
- slide 7 - I don't think they really used interest rates as main tools of monetary policy...
- it's good that you have a slide with recommendations, but we're tailoring a model, not advising the president of Azerbaijan...