

# Presentation 2 comments:

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### General comments:

- Overall maybe more problems than the first presentation, seems to me.
- BoP nowhere to be found in the presentations...
- Think about the transmission, do not talk about inflation before the FX rate, etc. Tell a story, not a series of charts.
- Also, recognize what is specific about this period, and what was important. Sometimes you followed the textbook bit too much.
- There was a lack of willingness to say whether the CBAR did well or not. Do not be afraid.

### Group 1:

- Slide 2: Bonus point, you are the only ones who mentioned depreciation of currencies of trading partners!
- Slide 4: "devalued manat to increase competitiveness" - do you think that was really the main reason?
- Otherwise good, no major issues, but I would suggest to order slides so that things follow a bit more in logical order.

### Group 2:

- Slide 2: How would it help if the monetary was controlling inflation? Not clear, and possibly not true or relevant
- Slide 4: This is true, but these factors were present also during the previous years when the economy grew quite fast. In general, these structural factors do not change fast, and therefore cannot explain specific episodes.
- Slide 5-6: Yeah, these slides are not good. Hopefully you will see why after the next lecture, but maybe FX rate had something to do with inflation?
- Slide 9: "CB lost a lot of reserves in depreciating its currency" - maybe it's just a clumsy formulation, but this sentence makes little sense...
- Slide 10: "CB used their foreign reserves to depreciate its currency. (Seems like a reasonable policy)" OK, so it wasn't clumsy formulation, it was wrong :) Please think about this once again.
- The presentation kinda skips over 2015, when the shock happened...

### Group 3:

- Nice summary at the beginning

- Slide 6: "CBAR moved from fixed to floating Exchange regime and as a result AZN per USD strongly depreciated" Do you think that was the main reason? What if the CBAR stuck with fixed FX rate?
- Slide 8: This is better than slide 6, explains things correctly and well.
- Slide 13: Nice.
- Overall, quite good!

**Group 4:**

- Slide 5: OK, but why did they do it? Was that not driven by some specific reason?
- There was nothing wrong, but the presentation could explain the causality bit more and also take stance on the CBAR actions - did they perform well?