

||| To sum up - the 3 main points

1. Monetary analysis

- more than a cross-check in two pillar strategy in world with financial frictions and instability
- Quantities in tranquil time help to identify vulnerability
- Quantities in turbulent times help to identify “bottleneck”
- Topography of liquidity mismatch across sectors (not simply credit/money)

2. Price and Financial stability are intertwined

- Can't be separated

3. “Sectoral” impaired monetary transmission mechanism

- SME are disadvantaged compared to sovereigns and large corporations
- Prudentially designed ABS
 - Chance to re-establish European intermediation
 - Make illiquid loans into liquid standardized securities
 - Stay away from securitization that involves maturity transformation