



## Upcoming Seminar

**Wednesday, 15.01.2025**

13.30-14.30

AWI room 01.030

**Macro & Econometrics Seminar**

Marina da Silva Rapp

"Debt and Creditworthiness: How They  
Shape Households' Responses to Monetary  
Policy"

### Macro & Econometrics Seminar

Marina da Silva Rapp

"Debt and Creditworthiness: How They Shape Households' Responses to Monetary Policy"

This study explores how households' debt and credit profiles shape their inflation expectations in response to interest rate changes. I adopt an event study approach around Federal Open Market Committee (FOMC) meetings spanning 2013 to 2023—a period encompassing a phase of stable low inflation followed by a phase of high and volatile inflation. I use data from the New York Fed's Survey of Consumer Expectations (SCE) and its Credit Access module. The findings reveal that households' financial circumstances significantly influence their sensitivity to interest rate changes, particularly during the high-inflation period of 2020–2023. Following rate hikes, credit cardholders tend to decrease their inflation expectations substantially, whereas mortgaged households exhibit smaller adjustments compared to other indebted households. Households who were likely to apply for new credit or review existing credit arrangements strongly update their expectations downwards, as do those who avoid delinquencies or credit card max-outs. Conversely, rate cuts prompt households with debt, credit cards, or non-delinquent payment histories to increase their inflation expectations.

### New Publications

Driessen, J., Ebert, S. & J. Koeter (2022):  $\Pi$ -CAPM: The Classical CAPM with Probability Weighting and Skewed Assets. *Review of Financial Studies*, accepted for publication.

Link: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3711478](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3711478).

Vinícius Ferraz, Leon Houf, Thomas Pitz, Christiane Schwierén, Jörn Sickmann, Trust in the machine: How contextual factors and personality traits shape algorithm aversion and collaboration, *Computers in Human Behavior Reports*, Volume 17, 2025 100578, ISSN 2451-9588.

Link: <https://doi.org/10.1016/j.chbr.2024.100578>.

## New Working Paper

Chi Cui, Ming Dai, Jonathan Alevy: "The Measurement of Changes in Distributional Preferences", AWI Discussion Paper Series No. 759, January 2025.

## Talks and Research visits

**Moumita Deb** gave a talk on "Information Acquisition in a Threshold Public Goods Game" in *BREW-ESA* held at *Ashoka University, India*, during 15th-17th December 2024.

**Axel Dreher** presented "Wedded to Prosperity? Informal Influence and Regional Favoritism" at *the University of Hong Kong*, January 7th, 2025.

Editorial deadline for the next newsletter issue 02/2025:  
Wednesday, 15th, 2025, 12 p.m.  
[newsletter@awi.uni-heidelberg.de](mailto:newsletter@awi.uni-heidelberg.de)