

The credit channel, a semi-structural approach*

Bernardo S. Griffiths

ABSTRACT

This paper aims to model the credit channel of monetary policy transmission in the Bolivian economy through a semi-structural gap model which includes a financial block, aggregate monetary policy rule, and fixed exchange rate to better capture the characteristics of the Bolivian economy. Through this, the conclusion is that the inclusion of the financial block, through credit, makes the response of monetary policy to different shocks more dynamic and intense, causing the effects of these on inflation to dissipate sooner and to be smaller while they are more persistent in acting on the product gap.

Clasificación JEL: *B22, E52, E58, E44*

Palabras clave: *Monetary policy, credit channel, financial system*

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