

Outline

Part I Financial stability: What it is and why it is important

- Definitions
- Possible causes
- Historical contexts

Part II Monetary policy and financial stability

- What is monetary policy?
- The intertwining nature of monetary stability and financial stability
- Monetary policy: reducing risks from financial instability

Part III *Empirical Tests: Potential use of monetary policy under inflation targeting to address financial imbalances in Thailand*

Part IV Modifying the current monetary policy framework

- Why might the current inflation targeting framework need modification?
- The case for a longer horizon and comprehensive risk assessment
- On adapting Financial Soundness Indicators and Stress testing

Part V Synergy between monetary policy and prudential measures

Part VI Conclusion