

## PECULIARITIES OF LONG-TERM REFINANCING OPERATION AND QUANTITATIVE EASING IN CENTRAL BANKS

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**Purpose** – to research features of long-term refinancing operation (LTRO) and quantitative easing (QE), analyze their similarities and differences, consequently, make conclusion, which anti-crisis measure is the best in economic instability conditions.

**Approach** – article is based on qualitative and quantitative research approach. Data is collected by the latest research papers, literature reviews on the similar problems, academic articles, respectively, it is secondary data collection method. Besides, it includes graph, table and schematic illustration.

**Findings** – the research has shown that QE is designed to boost asset prices and the one certain outcome of it is that those with assets benefit relative to those without. The public also holds financial assets indirectly, predominantly through pension funds. However, there has been a paradox: QE has generally increased pension funds' liabilities more than their assets. This non-standard policy may not benefit the real sector of the economy much in economic instability conditions, but they are beneficial to the financial services sector and those who work in it. As for LTRO, the main problem is that the Eurozone banks rely too much on the money in the terms of LTRO and become addicted to this liquidity and do not take steps to strengthen their balance sheets.

**Keywords (3-5):** quantitative easing (QE), long-term refinancing operation (LTRO), monetary authorities, financial crisis.

**Research type:** general review.