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CNB joins the taper talk



If you don't know what "tapering" is, you've missed one of the most significant debates in finance and public policy of recent years. It's the issue of whether central banks should reduce the volume of their asset purchases, and it applies most prominently to the Federal Reserve and European Central Bank. Now the Czech National Bank has entered the discussion. According to [Vojtěch Benda and Jakub Matějů of the CNB](#), there's a debate about converting proceeds from the CNB's foreign-currency assets to crowns. During the devaluation of 2013, the CNB sold newly printed crowns and used the euros to buy income-producing foreign securities. Converting this income now to crowns would put upward pressure on the Czech currency. In a sense, it would be a tapering of the CNB's loose monetary policy. But it would also be a partial reversal of the devaluation, and the other central banks might not like it. They're talking about slowing their devaluations, not exiting from them.

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