Discussion of "Stock Market Cross-Sectional Skewness and Business Cycle Fluctuations"
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- Negative Skewness Predicts GDP Slowdown.
  Positive Skewness Predicts GDP Growth.

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- ... yet some lingering issues

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- Stock v/s Bond Returns, financial firms

Where is Skewness Coming From?: Empirics

- Focus on the paper: Credit Demand/Credit Supply
- Credit Supply: Financial Conditions, Bond Premium, VIX, Risk Aversion
- Credit Demand: Banks' ROA, Banks' Lending Standards ???
- Different Policy Implications...

- How About Credit/GDP Ratio? Jordà, Schularik, Taylor (2016)
- Excessive Credit Supply, Excessive Investment (Real Estate), Excessive Risk Appetite $\Rightarrow$ Banks' Losses
- Different Story from the Financial Accelerator (Bernanke, Gertler, Gilchrist, 1999)
- "Instability from Beliefs": Genniaoli, Shleifer (2018), Over-Optimism followed by Revision of Expectations: Behavioral Story