This dissertation consists of four empirical papers analysing and discussing central bank policies in the post-crisis period. After the global financial crisis central bankers and other regulators have faced many new challenges, including a prolonged period of acommodative monetary policy, side effects of monetary policy easing on financial stability and interaction of macroprudential, microprudential and monetary policy. On top of that, policy makers must deal with uncertainty surrounding the transmission and the effectiveness of newly introduced macroprudential measures.

The empirical analyses focus primarily on the Czech Republic and its banking sector, with an exception of the first essay. Using data for the Czech Republic and five euro area countries, the first essay shows that monetary tightening has a negative impact on the credit-to-GDP ratio and banks' capital-to-asset ratio, while these effects have strengthened considerably since mid-2011. This supports the view that accommodative monetary policy contributes to a build-up of financial vulnerabilities, i.e. it boosts the credit cycle.

The second essay assesses the transmission of higher additional capital requirements stemming from capital buffers and Pillar 2 add-ons on banks' capital ratio, capital surplus and implicit risk weights. The results provide evidence that banks shrink their capital surplus in response to higher capital requirements while they tend to re-build the surplus in the long-run.

The last two essays study the impact of macroeconomic and financial variables on implicit risk weights of credit exposures under the internal rating-based (IRB) approach. The first of the two presents robust evidence of a strong, statistically significant relationship between monetary policy easing and lower implicit risk weights. The second shows that implicit risk weights behave pro-cyclically with regard to the business cycle, the financial cycle and the house price growth. These results add to a stream of literature which has raised concerns about the insufficiently conservative models under the IRB approach and the inherent pro-cyclicality of the risk-sensitive capital regulation.