

PDM NETWORK *Monthly Newsletter*

N.2/FEBRUARY 2010

Dear Partner, this *Newsletter* contains a list of the **latest uploaded resources** both in the documentation and in the event areas of the PDM Network website (www.publicdebt.net). The PDM Network has its main objective in the joint cooperation among its participants regarding the quantity and quality of information available on the website. So far, it is very appreciated a stronger collaboration in this field, **signalling to the Network Secretariat** any documents, news and events of interest at publicdebt.net.dt@tesoro.it.

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New Documents

Papers

National Level, City Level Auditor Industry Specialization and Cost of Debt (2010)

Li Chan - University of Pittsburgh, Xie Yuan - Fordham University, Zhou Jian - SUNY at Binghamton - School of Management

Abstract: We examine the relation between industry specialist auditors and cost of debt financing using a national and city level industry specialist framework. Consistent with the assumption that higher audit quality is associated with lower information risk, which benefits clients in raising debt capital, we find that firms audited by city level industry specialist auditors, either alone or jointly with national level industry specialist auditors, enjoy significantly lower cost of debt financing measured by both credit rating and bond spread. Our results suggest that, compared

to clients of non-industry-specialists, firms' odds of worse credit ratings are 0.859 (0.664) times lower, and their bond spreads are 17 (16) basis points lower if they are clients of city level only (joint national and city level) industry specialists. In addition, our evidence shows that, for joint national and city level industry specialists, both information and insurance roles are significant to reduce cost of debt financing.

Central Bank Dollar Swap Lines and Overseas Dollar Funding Costs (2010)

Goldberg Linda S.*, Kennedy Craig*, Miu Jason*- *
Federal Reserve Bank of New York

Abstract: Following a scarcity of dollar funding available internationally to financial institutions, in December 2007 the Federal Reserve began to

establish or expand Temporary Reciprocal Currency Arrangements with fourteen other central banks. These central banks had the capacity to use the swap facilities to provide dollar liquidity to institutions in their jurisdictions. This paper presents the developments in the dollar swap facilities through the end of 2009. The facilities were a response to dollar funding shortages outside the United States and were effective at making dollars more broadly available to financial institutions overseas during a period of market dysfunction. Formal research, as well as more descriptive accounts, suggests that the dollar swap lines among central banks were effective at reducing the dollar funding pressures abroad and the stresses in money markets. While these findings are compelling, it is still difficult to draw definitive lessons on particular facilities given the numerous changes over time in market conditions and policy responses.

Some Overall Observations About the 1996 New York State Environmental Bond Act and a Closer Look at Title 5 and Its Approach to the 'Brownfields' Dilemma (2010)

Markell David L. - Florida State University College of Law

Abstract: This article reviews legislative treatment of the challenge of addressing "brownfields." It does so through a review of New York's 1996 Bond Act.

The Cross-Section and Time-Series of Stock and Bond Returns (2010)

Koijen Ralph S. J. - University of Chicago, Van Nieuwerburgh Stijn - New York University

Abstract: We propose an arbitrage-free stochastic discount factor (SDF) model that jointly prices the cross-section of returns on portfolios of stocks sorted on book-to-market dimension, the cross-section of government bonds sorted by maturity, the dynamics of bond yields, and time series variation in expected stock and bond returns. Its pricing factors are motivated by a decomposition of the pricing kernel into a permanent and a transitory component. Shocks to the transitory component govern the level of the term structure of interest rates and price the cross-section of bond returns. Shocks to the permanent component govern the dividend yield and price the average equity returns. Third, shocks to the relative contribution of the transitory component to the conditional variance of the SDF govern the Cochrane-Piazzesi (2005,CP) factor, a strong predictor of future bond returns. These shocks price the cross-section of book-to-market sorted stock portfolios. Because the CP factor is a strong predictor of economic activity one- to two-years ahead, positive shocks to CP signal improving economic conditions, leading to a positive price of

risk. Value stocks are riskier and carry a return premium because they are more exposed to such shocks.

Conflicts of Interest, Reputation, and the Interwar Debt Crisis: Banksters or Bad Luck? (2010)

Flandreau Marc*, Gaillard Norbert - Sciences Po, Paris, Panizza Ugo* - UNCTAD - *The Graduate Institute, Geneva

Abstract: This paper builds a new dataset with detailed information on the universe of foreign government bonds issued in New York in the 1920s and uses these data to describe the behavior of the financial intermediaries which operated in the New York market during the period leading to the interwar debt crisis. The paper starts by showing that concerns over reputation played an important role in intermediaries' underwriting choices. Next, the paper checks whether banks managed to charge abnormal underwriting fees on bonds that would eventually default and finds no evidence of such practice (banksterism). The paper concludes by discussing some parallels between the experience of the 1920s and the current debate on the "originate and distribute" model.

Impact of the Global Financial and Economic Crisis on Africa (2009)

Louis Kasekende*, Léonce Ndikumana*, Taoufik Rajhi* - *African Development Bank

Abstract: This paper presents a preliminary assessment of the impact of the financial crisis on African economies thus far. The paper first explains the impact on the banking sector and why Africa has not been directly affected by the banking crisis (Section 2). It goes on to discuss the direct impact of the crisis on financial markets, foreign exchange markets and commodity markets (Section 3). Section 4 shows that the negative effects will mainly be felt through trade and capital flows, including foreign direct investment and migrant remittances. Section 5 discusses the prospects for public finance, inflation and growth. A sectoral analysis is also carried out, highlighting the impact on tourism and mining. Section 6 concludes by a discussion on some policies that could mitigate the impact of the crisis.

Debt Consolidation and Fiscal Stabilization of Deep Recessions (2010)

Corsetti Giancarlo - European University Institute, Kuester Keith - Federal Reserve Bank of Philadelphia, Meier Andre - International Monetary Fund (IMF), Müller Gernot - University of Bonn and CEPR

Abstract: The global financial crisis of 2008–09 has sent public debt on sharply higher trajectories. With the economic recovery gradually taking hold,

the focus is now shifting to fiscal "exit" strategies. Medium-term consolidation efforts are likely to include not only tax increases but also sizeable spending cuts. Our paper uses a standard new Keynesian model to show that the anticipation of such medium-term spending cuts generally enhances the expansionary effect of short-run fiscal stimulus. This conclusion still applies when monetary policy is constrained by the zero lower bound on policy rates. In this case, however, the reversal of government spending must not occur too early on the recovery path, or at least must be suitably gradual.

Convergence to EMU through the Test of the Public Finance – Romania's Budgetary Deficit and Public Debt (2009)

Susanu Monica - "Dunarea de Jos" University of Galati

Abstract: The convergence criteria group together those macro variables whose dimensions mean to put in good use, to potentiate and to strengthen the major benefits of integration, as their configuration, either before and especially after the adhesion in EU, represents strict and compulsory requirements for each state. The very reason stands in the strategic target of adopting euro currency, as an advanced phase of the integration which thus brings together the negative integration – meaning the abolition of the various obstacles in common market functioning -, with the positive integration – that means that minimum action of the public authority mainly aimed to ensure the coordination and harmonization of the economic policies.

Fractional Affine Term Structure Models (2009)

Golinski Adam*, Zaffaroni Paolo* - *Imperial College London

Abstract: We present a discrete time, essentially affine, two Gaussian factors term structure model allowing for long memory. This feature allows to reconcile the strong persistence found in nominal yields and inflation with the theoretical properties of affine models, especially for long maturities. Model identification is achieved so that the factors have a clear economic interpretation. We find that extension of the model from short memory to long memory factors gives a substantial improvement in terms of fit of the model and forecast errors. Specifically, it seems crucial to model the expected inflation factor as a long memory process, while we don't find evidence of high persistence in the short rate dynamics. Based on the model estimates we compute the processes of real interest rates, real and nominal risk term premia, and inflation premia for different maturities. All these quantities are time varying. An accurate analysis of the insample as well as out-of-sample properties of the model is presented.

Government bond risk premiums in the EU revisited the impact of the financial crisis (2010)

Schuknecht Ludger *, Von Hagen Jürgen - University of Bonn, Wolswijk Guido* - *European Central Bank

Abstract: This note looks at US\$ and DM/Euro denominated government bond spreads relative to US and German benchmark bonds before and after the start of the current financial crisis. The study finds, first, that bond yield spreads before and during the crisis can largely be explained on the basis of economic principles. Second, markets penalise fiscal imbalances much more strongly after the Lehman default in September 2008 than before. There is also a significant increase in the spread on non-benchmark bonds due to higher general risk aversion, and German bonds obtained a safe-haven investment status similar to that of the US which they did not have before the crisis. These findings underpin the need for achieving sound fiscal positions in good times and complying with the Stability and Growth Pact.

Reconciling VAR-based and Narrative Measures of the Tax-Multiplier (2009)

Favero Carlo A.*, Giavazzi Francesco* - *IGIER Bocconi University

Abstract: The currently available empirical evidence shows remarkable differences between various estimates of the effects on U.S output of an exogenous shift in Federal tax liabilities. Shocks identified via the narrative method, imply a multiplier of about three over an horizon of three years. Tax shocks identified in fiscal VAR models deliver a much smaller multiplier of about one. Is this heterogeneity real, or is it simply the result of different approaches to the identification of exogenous shifts in taxes? Or of different specifications of the empirical model used to estimate the tax multiplier? In this paper we reconcile this apparently contradictory evidence by showing that the large multiplier obtained via the narrative identification methods are generated by the choice of a limited information approach in their estimation and not by the different nature of the shocks. Using the shocks identified by a Narrative methods in a multivariate dynamic model delivers estimates of the tax multiplier very much in line with those obtained in the traditional fiscal VAR approach.

Has the U.S. Bond Market Lost its Edge to the Eurobond Market? (2010)

Peristiani Stavros*, Santos João A. C.* - *Federal Reserve Bank of New York

Abstract: The growth of the European financial markets, together with the new, stricter regulations

on the U.S. financial markets, has spurred a debate over the competitiveness of the U.S. financial markets. In this paper, we contribute to this debate by investigating the relative competitiveness of the U.S. bond market over the last ten years. In the early 1990s, the gross spread in the U.S. bond market were significantly lower than in the Eurobond market. While this spread continued to decline in the U.S. bond market, it declined at an even faster rate in the Eurobond market, to the point of eliminating the wide cost differential that existed between the two markets in the early 1990s. These findings are robust and suggest that the relative costs of bond underwriting declined in the Eurobond market. We also find that U.S. firms are increasingly opting to issue their bonds in the Eurobond market, and that this relocation is partly driven by the decline in the relative gross spreads in the European bond market. This finding adds support to our conclusion that the cost of bond underwriting declined faster in the Eurobond market, reinforcing the view that the U.S. bond market is facing a greater challenge from the Eurobond market.

Governance of the Management of Public Debt in Japan (2008)

Goto Yasuo - Research Center for Policy and Economy, Mitsubishi Research Institute

Abstract: This paper deals with the issue of Japan's public debt, particularly from a governance perspective. Japan's public debt continues to follow a rising path mainly due to the fact that, in the harsh economic climate the country has experienced since the 1990s, the government has ended up increasing public sector spending in order to support the Japanese economy. Yet when we look back over these events, this is not the only problem; there are also concerns over whether the system has the rules and institutions necessary to deal with such a situation. Even if temporary measures are taken to alleviate a particular burden, there is no guarantee that financial discipline can be maintained in the long term if there are weaknesses in the system of governance. There are problems first of all not only with public debt management, but also with the regulations which apply to government actions themselves. Since public debt obligation is one of the government's concerns, the roots of any problems with governance are to be found within faults in regulations relating to the government itself. Recent New institutional economics has been fruitful in analyzing the government's internal organizational structure and identifying its characteristic lack of commitment. Using these concepts to look at Japan's situation, we can see that it is characteristic that both the burden of debt is distributed among a variety of departments and that capital allocation and decision making are determined by mutual relations among those departments. If we were to trace the source of debt repayment capital, we would probably find

that the burden is borne in the last resort by general accounting. It cannot be denied that such a system could lead to a weakening of commitment to repayment on the part of the department using the funds. Furthermore, a system in which a number of different departments are involved in decision making would lead to characteristic problems with governance.

The Value of Introducing Structural Reform to Improve Bond Market Liquidity: Experience from the U.K. Gilt Market (2010)

Choudhry Moorad - University of Reading

Abstract: The importance of maintaining sufficient liquidity in financial markets is emphasised strongly in the academic literature. During the 1990s the United Kingdom monetary authorities introduced a number of structural reforms in the government bond market, aimed at improving secondary market liquidity. In this paper we examine the impact of the reforms by attempting to ascertain if liquidity levels improved in the post-reform period. We estimate the change in liquidity levels through the use of a proxy measure of liquidity, namely the benchmark bond theoretical versus market yield error. We examine the determinants of the proxy measure of market liquidity, and estimate which of the explanatory variables carries the greatest weight in influencing liquidity levels. We identify those factors that contributed most to maintaining secondary market liquidity and thereby draw conclusions of potential value to sovereign bond market monetary authorities.

"Rules of Thumb" for Sovereign Debt Crises (2008)

Manasse Paolo - University of Bologna, Roubini Nouriel - New York University

Abstract: This paper investigates the economic and political conditions that are associated to the occurrence of a sovereign debt crisis. We use a new statistical approach (Classification and Regression Tree) that allows us to derive a collection of "rules of thumb" that help identify the typical characteristics of defaulters. We find that not all crises are equal: they differ depending on whether the government faces insolvency, illiquidity, or various macroeconomic risks. We also characterize the set of fundamentals that can be associated with a relatively "risk free" zone. This classification is important for discussing appropriate policy options to prevent crises and improve response time and prediction.

Foreign Currency Debt, Financial Crises and Economic Growth: A Long Run View (2009)

Bordo Michael D. - Rutgers University, Meissner Christopher - M. University of California, Stuckler David - Christ Church, Yale

Abstract: Foreign currency debt is widely believed to increase risks of financial crisis, especially after being implicated as a cause of the East Asian crisis in the late 1990s. In this paper, we study the effects of foreign currency debt on currency and debt crises and its indirect short and long run effects on output between 1880-1913 and 1973-2003 for 45 countries. Greater ratios of foreign currency debt to total debt are associated with increased risks of currency and debt crises, although the strength of the association depends crucially on the size of a country's reserve base and its policy credibility. We find that financial crises, driven by exposure to foreign currency, resulted in significant permanent output losses. We evaluate our findings by looking at the risk posed by high levels of foreign currency liabilities in eastern Europe in late 2008.

Domestic Vs External Sovereign Debt Servicing: An Empirical Analysis (2009)

Kohlscheen Emanuel

Abstract: This paper analyzes the incidence of domestic and external debt crises for a sample of 53 emerging economies between 1980 and 2005. Even though there is substantial time variation in the default rates during the period, sovereign default rates for domestic debts are typically lower than those for external debts. The incidence of both types of defaults is explained by means of the estimation of independent and simultaneous limited-dependent variable models. The results show that while there is considerable evidence that external defaults trigger domestic defaults, evidence for the reverse link disappears when default propensities are estimated in a simultaneous equation model.

Maturity, Indebtedness, and Default Risk (2009)

Chatterjee Satyajit - Federal Reserve Bank of Philadelphia, Eyigungor Burcu - Koç University

Abstract: We present a novel and tractable model of long-term sovereign debt. We make two sets of contributions. First, on the substantive side, using Argentina as a test case we show that unlike one-period debt models, our model of long-term sovereign debt is capable of accounting for the average spread, the average default frequency, and the average debt-to-output ratio of Argentina over the 1991-2001 period without any deterioration in the model's ability to account for Argentina's cyclical facts. Using our calibrated model we determine what Argentina's debt, default frequency and welfare would have been if Argentina had issued only short-term debt. Second, on the methodological side, we advance the theory

of sovereign debt begun in Eaton and Gersovitz (1981) by establishing the existence of an equilibrium pricing function for long-term sovereign debt and by providing a fairly complete set of characterization results regarding equilibrium default and borrowing behavior. In addition, we identify and solve a computational problem associated with pricing long-term unsecured debt that stems from nonconvexities introduced by the possibility of default.

Keeping Slovenian Public Finances on a Sustainable Path (2009)

Beynet Pierre*, Leibfritz Willi* - *OECD

Abstract: This paper examines various aspects of fiscal policy in Slovenia, in particular fiscal consolidation, pension reform, efficiency of government spending and the tax system. It finds that Slovenia belongs to the group of new EU member countries, which have given in the past a high priority to fiscal prudence. This both stabilised the economy and paved the way for entry to the EU in 2004 and adoption of the euro in 2007. It also created room to counteract the current weakening of the economy. But fiscal policy has to cope with four main challenges: i) ensuring a return to fiscal consolidation after the current economic downturn; ii) achieving longer-term fiscal sustainability by continuing pension reform; iii) limiting growth of public spending and improving its quality; and iv) making the tax system less distorting for job creation and growth.

China's financial sector reforms (2010)

Herd Richard, Pigott Charles, Hill Sam

Abstract: Reforms to modernise and strengthen the financial sector have continued in recent years. The cleaning-up of the stock of non-performing loans is largely completed and considerable progress has been made in improving commercial banks' corporate governance structures and risk management systems. These reforms have given rise to stronger Chinese banks which have so far weathered the global slowdown well. Reform of capital markets has focused on phasing out trading prohibitions on non-traded shares and modernising securities market institutions. Efforts have also been made to improve credit access to underserved segments, notably small and medium-sized enterprises and rural China. Despite progress in opening up the financial sector to international investors and in allowing domestic investors to invest abroad, liberalisation has been slow and in most market segments the foreign share remains very small. Ownership of financial institutions remains dominated by the State, raising issues concerning the financial system's ability to serve the private sector as well as the extent to which banks lending decisions are based purely on commercial considerations. Although the bond market has continued to grow, corporate bond

issuance remains relatively small and this segment will need to be further developed in order to address the over-reliance on the banking system.

Lessons and Policy Implications from the Global Financial Crisis (2010)

Claessens Stijn*, Dell'Ariccia Giovanni*, Igan Deniz*, Laeven Luc* - *IMF

Abstract: The ongoing global financial crisis is rooted in a combination of factors common to previous financial crises and some new factors. The crisis has brought to light a number of deficiencies in financial regulation and architecture, particularly in the treatment of systemically important financial institutions, the assessments of systemic risks and vulnerabilities, and the resolution of financial institutions. The global nature of the financial crisis has made clear that financially integrated markets, while offering many benefits, can also pose significant risks, with large real economic consequences. Deep reforms are therefore needed to the international financial architecture to safeguard the stability of an increasingly financially integrated world.

Debt Management in Latin America - How Safe Is the New Debt Composition (2010)

Cavallo Eduardo A. - IDB

Abstract: While public debt ratios in Latin America increased in 2009 amid the global financial crisis, they remain below levels reached following the Asian and Russian crises of the late 1990s. Moreover, debt composition has continued to shift towards "safer" debt (domestic debt with a higher prevalence of domestic currency liabilities). However, the current debt structure poses risks and policy challenges that should not be overlooked. Reviewing the latest available data on debt levels and composition for the region's largest countries, this brief concludes that debt managers should avoid complacency in thinking that the region is completely redeemed from old sins. Particularly overlooked is that there does not yet exist in the region a large investor base for debt denominated in domestic currency at fixed nominal rates and reasonably long maturities.

Rethinking Macroeconomic Policy (2010)

Blanchard Olivier*, Dell'Ariccia Giovanni*, Mauro Paolo* - *IMF

Abstract: In this paper, they review the main elements of the pre-crisis consensus, they identify where they were wrong and what tenets of the pre-crisis framework still hold, and take a tentative first pass at the contours of a new macroeconomic policy framework.

Romania's Public Debts and their Consequences Upon the Economy (2010)

Popa Ionela*, Codreanu Diana*, Mihaela Albici* - *University "Constantin Brancoveanu"

Abstract: In June 2009, Romania's public debts rose by 12.6% more than late last year, that is up to 123.61 billion Lei (29.4 billion Euros), meaning 23.27% of the gross domestic product originally estimated for this year. Foreign loans are not a new phenomenon. Yet, in the current economic context, it is the consequences which might occur that bother most of us as a result of the (significant) increase of public debts. Concluding a loan agreement with the International Monetary Fund is « necessary evil » because it has both advantages and disadvantages. This paper aims at analyzing aspects regarding the benefits, direct and indirect costs, and social effects of such a loan.

Scale Invariant Properties of Public Debt Growth (2010)

Petersen Alexander M. - Boston University, Podobnik Boris - University of Rijeka, Horvatic Davor - University of Zagreb, Stanley H. Eugene - Boston University

Abstract: Public debt is one of the important economic variables that quantitatively describes a nation's economy. Because bankruptcy is a risk faced even by institutions as large as governments (e.g. Iceland), national debt should be strictly controlled with respect to national wealth. Also, the problem of eliminating extreme poverty in the world is closely connected to the study of extremely poor debtor nations. We analyze the time evolution of national public debt and find "convergence": initially less-indebted countries increase their debt more quickly than initially more-indebted countries. We also analyze the public debt-to-GDP ratio R , a proxy for default risk, and approximate the probability density function $P(R)$ with a Gamma distribution, which can be used to establish thresholds for sustainable debt. We also observe "convergence" in R : countries with initially small R increase their R more quickly than countries with initially large R . The scaling relationships for debt and R have practical applications, e.g. the Maastricht Treaty requires members of the European Monetary Union to maintain $R < 0.6$.

The Future of Public Debt: Prospects and Implications (2010)

Cecchetti Stephen G.*, Mohanty M. S.*, Zampolli Fabrizio* - *BIS

Abstract: The financial crisis that erupted in mid-2008 led to an explosion of public debt in many advanced economies. Governments were forced to recapitalize banks, take over a large part of the debts of failing financial institutions, and introduce large stimulus programmes to revive demand.

Books

Canada's Economic Action Plan-Budget 2009

Her Majesty the Queen in Right of Canada

Summary: (From the introduction) The world is passing through an extraordinary time. Canadians share in the global consensus that extraordinary times call for extraordinary measures.

Budget 2009 will help Canada to meet the challenges of our times. It aims to protect our country from an immediate economic threat while providing the solutions we need to secure our long-term growth and prosperity.

Canadians in all regions have begun to feel the effects of the deepening global economic crisis. They worry about their jobs, their hard-earned savings and their homes. They are concerned about their families, their businesses and their communities.

Sovereign Risk Management (2009)

Rietveld Malan

Summary: Sovereign Risk Management focuses on how official investors should respond to the new challenges they face in managing diverse forms of risk in the aftermath of the crisis that erupted in August 2007. The book includes the insights of a carefully selected roster of experts and practitioners on the management of market, political and regulatory risk.

Government Bond Market Development in Asia

Yun-Hwan Kim

Summary: The development of liquid, sound and deep bond markets has become one of the most important policy issues in the financial sector in Asian countries. In fact, though this issue has been discussed for a while now, the Asian financial crisis re-emphasised its importance, and it is worth discussing this issue in the framework of the post-crisis landscape. The second "Round Table on Capital Market Reforms in Asia" held in Tokyo in April 2000, which was organised by the OECD and the Asian Development Bank Institute (ADBI), focused on bond market development in Asia. Bond market development involves a number of inter-related issues and it is not an easy task, especially for emerging economies. Though there have been a number of positive developments in

Asia in this field, it is also true that it takes time for a bond market to become well-developed in Asia. This publication is based on a summary of the proceedings of the second Round Table, together with papers on the experience of both Asian and OECD countries presented at the meeting and on the discussions by the participants. This volume will surely serve as an indispensable source of information on capital market reform, and in particular on bond market development in Asia; it will constitute a reference book on those topics for policy-makers and experts in both the public and private sectors.

Lessons of the Financial Crisis (2009)

Steil Benn

Summary: In this Council Special Report, Benn Steil offers an incisive overview of the crisis and a comprehensive guide for reform. He starts by examining the factors that helped bring the crisis about and shows how a variety of policies and practices, ranging from a tax structure that encouraged leverage and home-buying to bank compensation that gave huge rewards for short-term gains, set up a system that collapsed after the housing market started to weaken. Steil then offers policy recommendations, principally for the U.S. government. First, he argues that given the shortcomings of regulation, policymakers should work to shape incentives so that the market largely regulates itself. Second, he explains why financial institutions must be made more resilient to broad economic distress and how this can be done. The report lays out a comprehensive agenda covering issues of leverage, capital requirements, corporate and mortgage finance, the screening and monitoring of mortgage borrowers, market infrastructure, corporate governance, monetary policy, and international financial architecture. Lessons of the Financial Crisis is a much-needed work on an issue that could not be more timely or important. It covers complex issues in a highly readable manner. This report recommends an ambitious but practical list of measures to address the circumstances that have caused such a loss of wealth in the United States and around the world. The result is an invaluable assessment of how the economy has gotten to this point and what is necessary to reduce the chance of future crises.

Web Resources

NEW! Content revision

Due to a content revision of this section, from this month Partners will find articles, news, bulletin and reports on public debt management issues extracted from International organizations and National DMO websites, plus other institutional or private sources (i.e. consultants and association and research centres). To view them, enter in the reserved area of www.publicdebt.net . (Please read also the Communication corner below)

Network News

- ▶ [Agence France Trésor - MONTHLY BULLETIN - N° 237 – February 2010](#)
- ▶ [Crown Agents - Capital Markets Weekly](#)
- ▶ [Bank of Italy - The Public Finances, borrowing requirement and debt](#)
- ▶ [Crown Agents - The Financial Review](#)
- ▶ [The World Bank – IFC - No Easy Regulatory Solutions](#)

Annual Reports & Guidelines

please go to the “*Information Corner*” on www.publicdebt.net

Events and Courses

Upcoming

New

8 March 2010 - 19 March 2010; Accra, Ghana

Regional Course on Macroeconomic Management and Regional Integration

22 March 2010 - 26 March 2010; Freetown, Sierra Leone

Regional Course on Combating Money Laundering and other Financial Crimes

22 March 2010 - 23 April 2010; web-based

Fundamentals of the Money Market

29 March 2010 - 30 March 2010; Tunis, Tunisia

Sovereign Debt and the Financial Crisis: Will This Time Be Different? DMF Stakeholders' Forum

12 April 2010 - 12 May 2010; web-based

Capital Market Development & Regulation - Advanced

Course

17 April 2010 - 18 April 2010; Madrid

9th ASEM Finance Ministers' Meeting

19 April 2010 - 21 May 2010; web-based

Fundamentals of the Bond Market

19 April 2010 - 28 May 2010; web-based

Basic Course on Public Debt Management

21 April 2010 - 23 April 2010; The Fairmont San Francisco

ISDA – 25th Annual General Meeting

29 April 2010 - London

Third Annual Clearing & Settlement Conference

5 May 2010 - 7 May 2010; Johannesburg
4th OECD Regional Workshop on African Debt Management and Bond Markets

6 May 2010 - 7 May 2010; ICMA, Talacker 29, 8001 Zurich, Switzerland
ICMA GMRA Workshop

Previously signalled

2-4 March 2010 - London

Round Table on Public Debt Analytical Tool

19-23 March 2010 - Cancún, Mexico

IDB IIC 2010 Annual Meeting

22 March 2010 - 26 March 2010; Ljubljana, Slovenia

Course: Central Banking - Instruments and Goals

24 March 2010 - 26 March 2010; Montego Bay, Jamaica

Caribbean Bank Insolvency Conference

19 - 30 April 2010 - Crown Agents, UK

Loan Evaluation & Negotiation

24 - 25 April 2010 - Washington

Annual Spring meetings of the International Monetary Fund and the World Bank Group

3 May 2010 - 17 June 2010; Online

Course-'Millennium Development Goals And

Debt Management' (UNITAR / PFT Online Course)

10 May - 21 May - Crown Agents - UK

Introduction to CS- DRMS

25-26 May 2010 - Brussel

Brussels Economic Forum 2010 - Strategies for a post-crisis world: enhancing European growth

26 May 2010 - 28 May 2010; Ljubljana, Slovenia

Course: Integration of Cash and Debt Management

26 July - 6 August 2010 Crown Agents -UK

Best Practice in Public Debt Management

3-4 September 2010 - EUROPAAHAUS InWEnt, Berlin

Global Financial Governance - Challenges and Regional Responses

7 September 2010 - 22 October 2010; Online

Debt Rescheduling with the Paris Club (UNITAR / PFT Online Course)

4-15 October 2010 - London

Advanced CS-DRMS User Training

29 Nov- 10 Dec. 2010 - Crown Agents - UK

Domestic Debt Management: Challenges & Techniques

Past events documentation

26 February 2008 - 27 February 2008; Tokyo, Japan

Ninth Roundtable on Capital Market Reform in Asia (new documentation)

Communication Corner

New!!

New Forum on: www.publicdebtnet.org

The new Forum: "[How the Primary dealers activity on the REPO market is regulated?](#)" has been posted by the PDM Network Secretariat.

To access the forum it is necessary for Partners to insert their personal account (ID and password), at the following link: "[request to PDM Network Partners](#)", then, they can reply to the post.

Partners belonging to DMOs are invited to answer this question posted by the Sri Lanka debt office, in particular to explain: "if in their country it is mandatory for the Primary Dealers/ Banks to sign a Repurchase Agreement with their counterparties when they enter into repurchase transactions. Moreover, if they need to sign Repurchase Agreement, we would like to know whether it is compulsory for corporate customers as well as individuals or only for corporate customers."

Webresources & Network News content revision on: www.publicdebtnet.org

Due to a content revision, in the reserved area of the website "**webresources**" **section**, from this month Partners will now find bulletin and reports plus articles and news, on public debt management issues extracted from International organizations and National DMO websites, plus other institutional or private sources (i.e. consultants and association and research centres). To view them, please enter in the reserved area of www.publicdebtnet.org .

Moreover, in the "**Network News**" **section**, the Partners will now find daily articles extracted from best online newspapers and info providers.

As usual, Webresources and Network news are selected by the Network Members or the Network Secretariat and uploaded by the Network Secretariat.

Participating Institutions in the PDM Network

OECD: Australian OFM, Austrian DMA, Belgian DMA, Belgian Central Bank, Canadian Foreign Affairs and International Trade, Czech Central Bank, Czech MoF, Danish DMO, Danish Central Bank, Dutch Central Bank, Dutch DMA, Dutch MoF, Finnish Treasury, Finnish MoF, French Central Bank, French DMA, French MoF, German Central Bank, German MoF, German FA, Greek DMA, Greek MoF, Greek Central Bank, Hungarian DMA, Hungarian MoF, Icelandic DMA, Irish NTMA, Irish MoF, Italian Central Bank, Italian MoF, Japanese MoF, Japanese Central Bank, Luxembourg MoF, Mexican MoF, New Zealander DMO, Norwegian MoF, Polish MoF, Polish Central Bank, Portuguese Central Bank, Portuguese DMA, Slovak MoF, Slovak DMA, Spanish Central Bank, Spanish MoF, Swedish DMO, Swedish MoF, Swiss State Secretary for Economic Affairs SECO, Turkish Treasury, US GAO, UK Central Bank, UK DMO, UK Treasury.

Non OECD: Albanian MoF, Angolan National Bank, Brazilian MoF, Brazilian Central Bank, Bulgarian MoF, Chilean Central Bank, Chinese MoF, Colombian MHCP, Cyprian Central Bank, Cyprian MoF, Dubai DMO, Dubai Government, Egyptian MoF, Estonian MoF, Ethiopian MoF, Ghanaian Central Bank, Ghanaian MoF, Hong Kong Monetary Auth., Indian Reserve Bank, Indian NIPF, Israeli MoF, Israeli Central Bank, Kenyan MoF, Latvian DMO, Lebanese MoF, Lesotho MoF, Lithuanian MoF, Macedonian MoF, Malawian Reserve Bank, Maltese Treasury, Maltese Central Bank, Moldovan MoF, Moroccan MoF, Nigerian DMO, Pakistani MoF, Papua New Guinean Treasury, Romanian MoF, Romanian Central Bank, Rwandan MoF, Singaporean MoF, Slovenian MoF, Solomon Islands MoF, South African National Treasury, Sri Lanka Central Bank, Thai MoF, Ugandan Central Bank, Uruguayan MoF.

Multilateral Institutions: OECD, European Commission, ADB, African Development Bank Group, Asian Development Bank Institute, Commonwealth Secretariat, Debt Relief International, European Central Bank, European Bank EBRD, Inter-American Development Bank, IFC, International Monetary Fund, MEFMI, WAIFEM, World Bank, UNCTAD.

Universities: Columbia University, George Washington University, Harvard University, London Business School, Stanford University, University of Bologna, University of Brussels, University of Cambridge, University of California, University of Milan, University of Molise, University of Padua, University of Rome "La Sapienza", CRIEP (Italy), University of Rome "Tor Vergata".

Others : Barclays Capital, Center of Excellence in Finance, Centre for Planning and Economic Research, Devfin Advisers AB, Finance for Development-FMO, ICMA, ISEDA, KFW Bankengruppe, Japan Bank for International Cooperation, McKinsey & Company, Inc. International, Michele Robinson Consult, Oxford Policy Management, Pragma Corporation, Public Debt Finance, Reykjavik Academy, Sifma-Epda, Storkey & Co. Ltd.

Some Figures

On 10th March 2010, the number of documents of the PDM Network website is **1166**. The number of total enabled users is **378**. Among them, Partners are **343**, of which **130** are sovereign debt managers coming from emerging and advanced countries.