

PDM NETWORK *Newsletter*

AUG-SEPT 2009

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.publicdebtnet.org). 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 publicdebtnet.dt@tesoro.it.

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New Documents

PAPERS

Informed Trading in Parallel Bond Markets (2009)

Paiardini Paola (University of Molise).

Abstract: In this paper the authors investigate the presence of asymmetric information in the parallel trading of ten-year government fixed rate bonds (BTP) on two secondary electronic platforms: the business-to-business (B2B) MTS platform and the business-to-customer (B2C) BondVision one. The two platforms are typified by a different degree of transparency. We investigate whether the probability to encounter an informed trader on the less transparent market is higher than the corresponding probability on the more transparent one. Our results show that on BondVision, that is the less transparent platform, the probability of encountering an informed trader is higher. Finally we perform a series of tests to check the robustness of our estimates. Two tests do not meet the hypothesis of independence. Nevertheless, these findings do

not controvert the hypothesis of our model, but call for further analysis.

Emu and European Government Bond Market Integration (2009)

Abad Pilar (University of Madrid), Chuliá Helena (Universitat de Catalunya), Gómez-Puig Marta (University of Barcelona)

Abstract: The main objective of this paper is to study whether the introduction of the euro had an impact on the degree of integration of European Government bond markets. We adopt the CAPM-based model of Bekaert and Harvey (1995) to compare, from the beginning of Monetary Union until June 2008, the differences in the relative importance of two sources of systemic risk (world and Eurozone risk) on Government bond returns, in the two groups of countries (EMU and non-EMU) in EU-15. Our empirical evidence suggests that the impact of the introduction of the euro on the degree of integration of European Government bond markets was important. The markets of the countries that share a monetary policy are less vulnerable to the influence of world risk factors,

and more vulnerable to EMU risk factors. However, euro markets are only partially integrated, since they are still segmented and present differences in market liquidity or default risk. For their part, the countries that decided to stay out of the Monetary Union present a higher vulnerability to external risk factors.

Determinants of government bond spreads in new EU countries (2009)

Alexopoulou Ioana*, **Bunda Irina***, **Ferrando Annalisa*** (*European Central Bank)

Abstract: Based on a rich database of government bond spreads and macroeconomic indicators over the period 2001-2008, the authors propose an empirical assessment of the role of fundamentals in driving long-term sovereign bond spreads of the new EU countries (Bulgaria, Czech Republic, Latvia, Lithuania, Hungary, Poland, Romania and Slovakia). The results of a dynamic panel error correction model that accounts for both common long-run determinants and cross-country heterogeneities in sovereign bond spreads tend to suggest that fundamentals still matter for market's assessment of a country creditworthiness. Countries' levels of external debt, fiscal and current account balances, exchange and inflation rates, their degree of trade openness as well as short-term interest rate spreads play an important role in the new EU countries' access to long-term finance. We furthermore challenge the pooled mean approach in order to check whether other factors may become relevant in the long-run for two subgroups of countries according to the developments in their current account balances. Fiscal fundamentals seem to matter most for one group of countries, those characterised by widening external imbalances and historically high levels of spreads. In a context of heightened risk aversion and potential for spill over effects, this group of countries are more exposed to domestic sources of vulnerability as well as to swings in market perceptions of sovereign risks.

What Drives Sovereign Risk Premiums? An Analysis of Recent Evidence from the Euro Area (2009)

Haugh David (OECD), **Ollivaud Patrice**, **Turner David**

Abstract: This paper analyses recent large movements in the yield spread for sovereign bonds as between Germany and other euro area countries. While the general increase in risk aversion that has characterised the financial crisis is an important factor on its own, it is found that this has also magnified the

importance of fiscal performance, in particular as measured by the ratio of debt service to tax receipts and expected fiscal deficits. Moreover, there is evidence to suggest that such effects are non-linear, so that incremental deteriorations in fiscal performance lead to ever larger increases in the spread. These findings imply that financial market reaction could become an increasingly important constraint on fiscal policy for some countries, a feature which was much less apparent in the years prior to the financial crisis when general risk aversion was abnormally low.

Does the 'Golden Rule of Public Finance' Imply a Lower Long-Run Growth Rate? A Clarification (2009)

Greiner Alfred (Bielefeld University)

Abstract: In a recent paper, Minea and Villieu (2009) presented an endogenous growth model with productive public capital and public debt. They demonstrate that a balanced government budget generates a higher long-run growth rate compared to a situation where the government runs permanent deficits in order to finance productive public investment. They conclude that the 'golden rule of public finance' implies a lower long-run growth rate than the balanced-budget rule. Their contribution addresses an important topic and is competently executed. Nevertheless, it is misleading because it is not the 'golden rule of public finance' that generates their result but rather the fact that public debt grows at the same rate as capital and GDP in the long-run. In this contribution we demonstrate that the 'golden rule of public finance' yields the same long-run growth rate as the balanced-budget rule provided that public debt asymptotically grows at a smaller rate than capital and GDP.

Financial Crisis Containment (2009)

Gelpern Anna (Rutgers School of Law Newark)

Abstract: This article maps financial crisis containment - extraordinary measures to stop the spread of financial distress - as a category of legal and policy choice. I make three claims. First, containment is distinct from financial regulation, crisis prevention and resolution. Containment is brief; it targets the immediate term. It involves claims of emergency, rule-breaking, time inconsistency and moral hazard. In contrast, regulation, prevention and resolution seek to establish sound incentives for the long term. Second, containment decisions deviate from non-crisis norms in predictable ways, and are consistent across diverse countries and crises. Containment invariably entails three kinds of choices: choices between

wholesale and case-by-case response to financial distress, choices about whether to enforce private contracts and government regulations, and choices about distributing losses from crisis. I illustrate these with case studies from Indonesia in 1997-1998, Japan in 1994-1998, the United States in 1933, Argentina in 2001-2002, and Mexico in 1982. Third, containment measures are costly, but so is failure to distinguish containment from other tasks. Governments use prevention and regulation rhetoric to delay crisis response and to obscure distribution. Once they admit to a crisis, officials may leverage the urgency of containment to secure far-reaching economic reform. Isolating and mapping containment can help recast well-worn crisis policy debates, and make crisis response more transparent and accountable.

Subnational Insolvency: Cross-Country Experiences and Lessons (2009)

Liu Lili*, Waibel Michael* (* World Bank Poverty Reduction and Economic Management Network -PREM)

Abstract: Subnational insolvency is a reoccurring event in development, as demonstrated by historical and modern episodes of subnational defaults in both developed and developing countries. Insolvency procedures become more important as countries decentralize expenditure, taxation, and borrowing, and broaden subnational credit markets. As the first cross-country survey of procedures to resolve subnational financial distress, this paper has particular relevance for decentralizing countries. The authors explain central features and variations of subnational insolvency mechanisms across countries. They identify judicial, administrative, and hybrid procedures, and show how entry point and political factors drive their design. Like private insolvency law, subnational insolvency procedures predictably allocate default risk, while providing breathing space for orderly debt restructuring and fiscal adjustment. Policymakers' desire to mitigate the tension between creditor rights and the need to maintain essential public services, to strengthen ex ante fiscal rules, and to harden subnational budget constraints are motivations specific to the public sector.

An Empirical Analysis of Relation between Debts Service and Public Revenue and Public Expenditures: The Turkish Case (2009)

Bagdigen Muhlis*, Abdulkimogullari Erdal*(Karaelmas University)

Abstract: As an alternative to tax, borrowing is more often applied as a fiscal tool to finance public expenditures and take precautions against socio-economics conditions of economy. However, in the case of borrowing it has necessary effects on economy during the period of debt servicing. Since, borrowing is frequently applied tool in Turkey, this study analyzes its effects on public expenditures and revenues. The findings based on the period of 1980-2003 show that there is statistically significant and same way relation between debt servicing and public revenues. Considering public expenditures, it is, however, found statistically insignificant but reverse relation between debt servicing and public expenditures.

The long and the short of emerging market debt (2009)

Opazo Luis*, Raddatz Claudio*, Schmukler Sergio L.* (*Development Research Group of the World Bank)

Abstract: Emerging economies have tried to promote long-term debt because it reduces maturity mismatches and the probability of crises. This paper uses unique evidence from the leading case of Chile to study to what extent there is domestic demand for long-term instruments. The authors analyze monthly asset-level portfolios of Chilean institutional investors (mutual funds, pension funds, and insurance companies) and compare their maturity structure to that of US bond mutual funds. Despite being thought to invest long term, Chilean asset-management institutions (mutual and pension funds) hold large amounts of short-term assets relative to US mutual funds and Chilean insurance companies. Short-termism is not driven by lack of instrument availability or tactical behavior. Instead, it seems to be explained by the desire to minimize inflation risk and, more importantly, by manager incentives that tilt demand toward short-term instruments. Extending the maturity of emerging market debt may require reducing risk and reshaping investor incentives.

The Multilateral Response to the Global Crisis: Rationale, Modalities and Feasibility (2009)

Fernández-Arias Eduardo*, Powell Andrew*, Rebusci Alessandro*(IADB)

Abstract: The paper reviews the case for a strong multilateral response to the global crisis in emerging markets (EMs). It discusses modalities and feasibility of intervention and its associated risks, depending on country circumstances of fiscal space and liquidity needs. The specific role of Multilateral Development Banks (MDBs) in ensuring the development

effectiveness of the fiscal response is also discussed. The paper concludes by highlighting the international financial architecture issues raised by the global crisis that cannot be addressed immediately but will need to be dealt with once the current crisis has been tamed.

The Fiscal Vulnerability of Public Social Expenditures: Is Latin America Different? (2009)

Lora Eduardo A. (IADB)

Abstract: An unbalanced panel data of around fifty countries between 1985 and 2003 is used to estimate the vulnerability of public social expenditures (health and education) to other fiscal variables. The database allows comparisons between Latin America and the rest of developing countries. Public social expenditure is significantly lower in Latin America as share of GDP, although it has a higher share in primary expenditure. Public social expenditures in Latin America are more vulnerable to debt service, but are less sensible to changes in other types of public expenditure. As in other regions in the developing world, public social expenditure in Latin America shrinks when public debt stock increases. This effect is higher with multilateral debt obligations. In Latin America, debt defaults reduce the share of public social expenditures in total primary public expenditure.

Liquidity Premia in German Government Bonds (2009)

Ejsing Jacob (European Central Bank), Sihvonen Jukka (University of Vaasa)

Abstract: There is strong evidence that on-the-run U.S. Treasury securities trade much more liquidly and at significantly higher prices than their off-the-run counterparts. We examine if the same phenomenon is present in the German government bond market whose market structure differ markedly from that of the U.S. Treasury market. In sharp contrast to the U.S. evidence, we find that on-the-run status has only a negligible effect on the liquidity and pricing once other factors have been controlled for. Instead, the highly liquid German bond futures market, whose turnover is many times larger than in the cash market, leads to significant liquidity spillovers. Specifically, we find that bonds which are deliverable into futures contracts are both trading more liquidly and commanding a significant price premium, and that this effect became more pronounced during the recent financial crisis.

The Case for Trills: Giving the People and Their Pension Funds a Stake in the Wealth of the Nation (2009)

Kamstra Mark (York University), Shiller Robert J. (Yale University)

Abstract: We make the case for the U.S. government to issue a new security with a coupon tied to the United States' current dollar GDP. This security might pay, for example, a coupon of one-trillionth of the GDP, and we propose the name 'Trill' be used to refer to this new security. This new debt instrument should be of great interest to the Government for its stabilizing influence on the budget (as coupon payments fall in a recession with declining tax revenues) and for its yield, based on our valuation. Standard asset pricing analysis also suggests that Trills would enable important new portfolio diversification strategies and, in contrast to available assets that protect relative standards of living in retirement, Trills would have virtually no counterparty risk. We believe there would be a lively appetite for the Trill from institutional investors, public and private pension funds, as well as the individual investor.

The Dynamics of Sovereign Credit Risk (2009)

Jeanneret Alexandre (University of Lausanne)

Abstract: This paper provides a model for sovereign default risk valuation in which a sovereign country endogenously determines the timing of default on its external debt. The theoretical relationships between credit spreads and the macroeconomic factors considered in the model are consistent with the empirical literature. The model explains the variation across time in daily Emerging Market Bond Index (EMBI+) spreads to a degree not offered by existing theoretical and empirical models. I use price data information on stock market indices to compute credit spreads for Brazil, Mexico, Peru, and Russia over 1998-2008. The out-of-sample analysis focuses on the subprime crisis period from January 1, 2007, through December 31, 2008. The model explains 32% of the out-of-sample time variation in EMBI+ spread changes. The enhanced explanatory power of the model is due to a transformation of the non-linear relationship between observed EMBI+ spreads and daily stock market prices into a linear relationship between model spreads and EMBI+ spreads. The inclusion of additional variables (namely, the VIX, S&P 500 return, and U.S. Treasury rate) raises the explanatory power to 45%. I also show that accounting for a time-varying sovereign incentive to default can best explain the level of EMBI+ spreads, especially during the recent period of distress.

Government Bond Yield Spreads: A Survey (2009)

Lo Conte Riccardo (European Central Bank)

The author reviews the literature concerning the determinants of yield spreads on government bonds. Due to the large attention received in the literature, I will refer to European and emerging markets. Europe has undergone significant institutional changes over the last decade and the corresponding market has become increasingly integrated. The value of bonds issued by emerging economies has reached high levels in the 1990s with important implication for the operation of international capital markets. This survey provides an extensive overview of the most recent explanations to the observed yield spreads on sovereign bonds.

Debt and Interest Rates: Lessons from European Monetary Union (2009)

Lo Conte Riccardo (European Central Bank)

Abstract: This paper addresses the relationship between debt and interest rates within the context of the European Monetary Union which, after ten years since its creation, constitutes a convenient framework to test any sensible explanation. My findings highlight that a substantial fraction of European interest rate is accounted for by domestic fiscal fundamentals. Identification of the relative importance of fiscal variables requires joint modelling of international rates to distinguish between the effects of their common dynamics from credit risk implications of worsening fiscal conditions. The estimated model also quantifies liquidity premia.

European Financial Market Integration: A Closer Look at Government Bonds in Eurozone Countries (2009)

Weber Sebastian (German Institute for Economic Research)

Abstract: The European Union made a number of steps not least of them the introduction of a common currency to foster the integration of the European financial markets. A number of papers have tried to gauge the degree of integration for various financial markets looking at the convergence of interest rates. A common finding is that government bond markets are quite well integrated. In this paper stochastic Kernel density estimates are used to take a closer look at the dynamics that drive the process of interest rate convergence. The main finding is that countries with large initial deviations from the mean interest rate do indeed converge. Interestingly the candidates least suspected namely the countries initially with interest rates

at the mean level show a pattern of slight divergence.

Government Bond Market Integration within European Union (2008)

Laopodis Nikiforos T. (Fairfield University)

Abstract: This paper examines the extent of linkages among Euro and non-Euro government bond markets in the pre- and post-Euro introduction period. Multivariate cointegration analyses indicate absence of cointegration among the Euro bond markets in the pre-Euro period but a weak one in the post-Euro period. By contrast, there is evidence of strong cointegration in the post-Euro period among the non-Euro bond markets. Further, in the post-Euro period several bivariate linkages among the Euro bond markets exist. Finally, the US bond market appears to uni-directionally Granger-cause all Euro bond markets in both subperiods. The findings have important implications for investors, in terms of diversification benefits, and for policymakers, in terms of the proper conduct of the common monetary policy.

Sovereign Debt Disputes. Testing the role of politics and institutions in financial crisis resolution (2008)

Enderlein Henrik*, Müller Laura*, Trebesch Christoph* (*Hertie School of Governance)

Abstract: This article aims to identify which political and economic factors explain unilateral government actions towards international investors in times of financial distress. The cornerstone of our analysis is a novel, comprehensive index that measures coercive government behavior towards creditors during sovereign debt crises since 1980. Overall, our results indicate that, once a default has occurred, democratic governments are more likely to act aggressively towards foreign creditors. We interpret this as evidence for high domestic audience costs in crisis situations. In contrast, elections and government orientation (left vs. right) do not seem to play a role for the degree of conflict in debt renegotiations.

The Dynamics of Sovereign Yield Differentials in EMU: New Evidence and Perspectives (2008)

Lo Conte Riccardo (European Central Bank)

Abstract: The author investigates yield differentials from a different perspective. To account for the still non-negligible differences in long-term government bond yields of EMU members relative to Germany, the literature has placed much attention on the relative importance of liquidity and credit risk factors. I

would argue that the main driver of spreads is the U.S. long-term rate. Results qualify earlier evidence and document an additional and independent role for the international risk factor. This paper also shows that working on spreads relative to German rate is a frustrating exercise while the use of the U.S. rate as external reference allows of sharper results.

Conditional Volatility in Affine Term Structure Models: Evidence from Treasury and Swap Markets (2008)

Jacobs Kris (McGill University), Karoui Lotfi (Goldman Sachs & Co)

Abstract: Several papers have questioned the ability of multifactor affine models to extract interest rate volatility from the cross-section of yields. These studies find that model-implied conditional volatility is very poorly or even negatively correlated with model-free volatility. We study the ability of three-factor models to extract conditional volatility using interest rate swap yields for 1991-2005 and a sample of Treasury yields for 1970-2003. For the extended Treasury sample, the correlation between model-implied and EGARCH volatility is between 60% and 75%. For swaps, the correlation is rather low or negative. Results for swaps are also more model-dependent and less robust. For Treasuries, a model-free measure of the level factor is highly correlated with EGARCH volatility as well as model-implied volatilities. For swaps, the level factor is not as highly correlated with conditional volatility. We find that these differences in model performance are primarily due to the timing of the swap sample, and not to institutional differences between swap and Treasury markets. Our results are confirmed using metrics other than correlation. They are also robust to the choice of estimation method, interpolation method and volatility measure, and hold for yield differences as well as yield levels. We conclude that the ability of multifactor affine models to extract conditional volatility depends on the sample period, but that overall these models perform better than has been argued in the literature.

How Does Liquidity Affect Government Bond Yields? (2007)

Favero Carlo (Bocconi University, IGIER & CEPR), Pagano Marco (University of Naples Federico II, CSEF & CEPR), von Thadden Ernst-Ludwig (Universität Mannheim and CEPR)

Abstract: The paper explores the determinants of yield differentials between sovereign bonds in the Euro area. There is a common trend in yield differentials, which is correlated with a measure of aggregate risk. In contrast, liquidity

differentials display sizeable heterogeneity and no common factor. We propose a simple model with endogenous liquidity demand, where a bond's liquidity premium depends both on its transaction cost and on investment opportunities. The model predicts that yield differentials should increase in both liquidity and risk, with an interaction term of the opposite sign. Testing these predictions on daily data, we find that the aggregate risk factor is consistently priced, liquidity differentials are priced for a subset of countries, and their interaction with the risk factor is in line with the model's prediction and crucial to detect their effect.

Estimation of the Yield of the Government Body Bonds (2006)

Yandiev Magomet (Moscow State University)

Abstract: The author offers a model which allows to count up the size of the coupon of bonds. The basic maintenance of the model is: «The dependence of the average annual demanded yield of subfederal bonds on the solvency coefficient of the government body-issuer of these bonds could be depicted by a tangent curve».

Model Describing the Corporation's Capital Structure Dependence on the Structure of the State Debt (2006)

Yandiev Magomet (Moscow State University)

Abstract: It's well known that the state debt has a serious influence on the finance sector. Giving the following notion in a more detailed way, the author analyses the dependence between the structure of the corporation's capital and the structure of the state or municipal debt. He analyses how the structure of the state debt influences the financial markets and their structures influence the capital's source chosen by the corporations. One of the main conclusions is that none of the changes of the elements in the state debt's structure leads to the increase of the equity share in the general cost of the company's capital.

The Burden of an Ageing Society as a Public Debt (2006)

Siekmann Helmut (IMFS - Institute for Monetary and Financial Stability)

Abstract: This paper is a preliminary assessment of the burden of an ageing society under the fiscal law, specifically in respect of prospective entitlements to the public pension system. The first part analyses the provisions of the German constitution on finances

(Finanzverfassungsrecht) to identify what rules, if any, exist addressing such (potential) expenditures, which lie in the immediate or very distant future. The second part of the paper analyses the fiscal requirements under European Union law. In the third and final part a few comments on the proposed national pact on stability and the recent moves to amend the German Federal Constitution are presented.

OTHER WEB RESOURCES

Public finances in EMU - 2009 (2009)
European Commission - Directorate-General for Economic and Financial Affairs

A Review of Some Aspects of the Low-Income Country Debt Sustainability Framework (2009)
The World Bank Group

IDB approves \$25 million grant to Haiti for fiscal support (2009)
Inter-American Development Bank

Financial Crises Tend to Have Long Impact on the Economy (2009)
IMF

Finance, business and the crisis (2009)
OECD

Asia Bond Monitor—September 2009
Asian Development Bank

Public debt, America's millstone (2009)
BusinessDay

Australia-Public debt fears fall by \$100b (2009)
BusinessDay

Vulnerability, Exchange Rate and International Reserves: Whither Brazil? (2009)
RGE Monitor

Asian Development Outlook 2009 Update (2009)
Asian Development Bank

Video: The Financial Crisis and the Bank Bailout (2009)
Global Research

Annual Reports & Guidelines: please go to the "Information Corner" on www.publicdebt.net.org

Asian local currency bonds enjoy boom times (2009)
[CNN.com/world business](http://CNN.com/world_business)

Public debt now US\$7.841.3 million (2009)
www.ireportghana.com

NETWORK NEWS

Debt Watch - Caribbean newsletter, Issue No.12, May/June 2009
http://michelerobinson.net/yahoo_site_admin/assets/docs/Debt_Watch_Issue_No_12.27095148.pdf

Book: "Public Debt: The Brazilian Experience".
http://www.tesouro.fazenda.gov.br/english/public_debt/book_divida.asp

Crisis Response Initiatives of the Multilateral Financial Institutions Operating in the Caribbean
<http://www.cartac.org/UserFiles/File/General%20Documents/crisis%20response%20%20brochure.pdf>

Economic and Fiscal Policy Guidelines for the period 2010-2012 - Croatia
<http://www.mfin.hr/en/novosti/economic-and-fiscal-policy-guidelines-for-the-period-2010-2012>

Capital Markets Weekly - Crown Agents
<http://www.crownagents.com/News/Capital-Markets-Weekly.aspx>

Asia Outlook - Crown Agents
<http://www.crownagents.com/News/Asia-Outlook-August-2009.aspx>

Africa Outlook - Crown Agents
<http://www.crownagents.com/News/Africa-Outlook-August-2009.aspx>

Ukrainian Ministry Picks 5 Banks as Primary Dealers
Bloomberg - Editors: Chris Kirkham, Alan Crosby

Events, Courses

UPCOMING

NEW

1 October 2009 - 2 October 2009; Concord, California

Course: Fundamentals of Debt Financing (Downloadable Course Materials)

6 October 2009 - Libera Università di Bolzano Aula E422, piazza Università, 1, Bolzano

Default risk premia on government bonds in a simple business cycle model

15 October 2009 - 16 October 2009; The Crowne Plaza Europa Hotel Brussels

DG ECFIN 6th Annual Research Conference: Crisis and Reform

19 October 2009 - 20 October 2009; Enrique V. Iglesias Auditorium, Room CR-300,1330 New York Ave NW, Washington, DC

V Workshop of the LAC Debt Group: Debt Sustainability and Debt Statistics

20 October 2009 - 21 October 2009; Paris
Annual Meeting of the Working Party on Public Debt Management

5 November 2009 - 6 November 2009; Singapore

National Asset Liability Management (Investment and risk management strategies for new market conditions)

2 December 2009 - 4 December 2009; Rome

XVIII International Tor Vergata Conference on Money, Banking, and Finance

17 December 2009 - 17 December 2009; Pôle Universitaire Léonard de Vinci PARIS LA DEFENSE (France)

4th International EIF Job Market in Finance and Accounting

8 February 2010 - 18 March 2010; Online

Course-Advance Risk Management (UNITAR / PFT Online Course)

3 May 2010 - 17 June 2010; Online
Course-'Millennium Development Goals And Debt Management' (UNITAR / PFT Online Course)

29 September 2009 - On-line
Central Banking Webinar - What should central banks do to avert the next crisis?

7 September 2010 - 22 October 2010; Online

Course: Debt Rescheduling with the Paris Club

PREVIOUSLY SIGNALLED

8 October 2009 - 9 October 2009; Palazzo Altieri, Rome, Italy

2nd Annual Opportunities in the Italian Funding Market: Securitisation & Covered Bonds

5 October 2009 - 19 October 2009; Worthing, UK
Advanced CS-DRMS User Training

12 October 2009 - 13 November 2009; Online/Internet-based
Fundamentals of the Bond Market

12 October 2009 - 16 October 2009; Lagos, Nigeria
Debt Recording for Sub-national Debt Management in Nigeria

18 October 2009 - 20 October 2009; Emirates Tower Hotel, Dubai, UAE
Middle East Capital Markets

26 October 2009 - 27 November 2009; On line/Internet-based
Audit of Public Debt

30 October 2009; Washington, D.C., USA
Estrategias para el manejo de la Deuda Pública durante la Crisis

2 November 2009 - 11 December 2009; Online/Internet-based
Basic Course on Public Debt Management

6 November 2009; Brussels, Belgium
EPDA's 4th Annual European Government Bond Conference

9 November 2009 – 18 November 2009; Lusaka, Zambia
Regional Dissemination and Training on UNCTAD - DMFAS 6.0

9 November 2009 – 11 November 2009; Palais des Nations, Geneva
Seventh International Debt Management Conference

16 November 2009 - 17 November 2009; Washington DC

Joint BIS/ECB/ World Bank Public Investors Conference 2009

30 November 2009 – 11 December 2009; Worthing, UK
Effective Domestic Debt Management

14 December 2009 - 18 December 2009; Joint Vienna Institute
Workshop on Debt Management Performance Assessment Tool and Debt Sustainability Framework

The PDM Secretariat is grateful to **Michel Robinson** (Michele Robinson Consult), **Paul Roberti** (The Pragma Corporation), **Paola Paiardini** (University of London, Birkbeck) and **Riccardo Lo Conte** (European central Bank) for their resource contribution.

Communication Corner

Looking for GDP-indexed bonds materials

We'd like to ask our Partners a cooperation in collecting material on GDP-indexed bond both for a professor of our Academic Circle who needs it and to enrich our Network's website documentation. Therefore if a Partner country, or another of your knowledge, has ever issued such bonds, please signal to us. The same if a Partner knows a paper or any other documentation about this topic. Thanks for your cooperation.

e-LEARNING COURSE MATERIALS

The PDM network website hosts material from e-learning course "Audit of Public Debt" organized by UNITAR thanks to Enrique Cosio-Pascal contribution. This course is downloadable from the learning area in the "Information corner", Section "Learning Area" and is oriented toward those auditors that would be participating to internal or external audit of public debt management.

NEW! A new link has been inserted in the [Learning Area](#): **Henry Stewart Talks: on line seminars (Government Debt Management: Fundamentals, practical issues and recent developments).**

NEW WEBSITE AREA

The Network's website home page (public version) includes an area called "**Information corner**". In this section, all Partners and other internet users can find organised information on specific topics of public debt management: Statistics, Bond Auctions, DMOs Programmes and Reports, Learning area, Monthly Newsletters.

NEW! From this month, also [Weekly Newsletters](#).

E-MAIL NOTIFICATION SERVICE FOR PARTNERS

We are glad to remind that a **notification service** is provided on the Network website for Partners. By this service, they will receive an e-mail when a new document or event is uploaded onto the website in the category of their choice (i.e. primary market, secondary market, or other categories or macro-categories). To activate the service Partners should access in the private area of the website and choose the "GO" button in the "Mailing List" box. They can click on the categories they are interested in and, after clicking again on "subscribe" they will receive an email whenever a new document is uploaded in the preferred category. For any assistance contact the PDM Secretariat at Publicdebtnet.dt@tesoro.it

Participating Institutions in 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, Italian Development Co-operation Office, 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, Debt Relief International, Commonwealth Secretariat, 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, 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...

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