

PDM NETWORK NEWSLETTER NOVEMBER 2008

Dear Partner, this *Newsletter* contains a list of the latest uploaded resources both in documentation and in event areas. If you have any news to communicate to the Network members, feel free to contact the Network Secretariat at publicdebtnet.dt@tesoro.it.

New Documents

Gürkaynak Refet S., Sack Brian, Wright Jonathan H.
The TIPS Yield Curve and Inflation Compensation (2008)

Abstract: For over ten years, the U.S. treasury has issued index-linked debt. Federal Reserve Board staff have fitted a yield curve to these indexed securities at the daily frequency from the start of 1999 to the present. This paper describes the methodology that is used and make the estimates public.

Hungarian Government Debt Management Agency
Debt Management Outlook 2008 (2008)

Abstract: The Government Debt Management Agency Private Company Limited By Shares (ÁKK) is responsible for financing the central budget of the Republic of Hungary. The financing plan for the given year is based on the debt management strategy approved by the Minister of Finance. The aim of this publication is to inform investors, market participants and the general public about the strategy and the planned financing in the year 2008.

Schulz Alexander, Wolff Guntram B.
Sovereign bond market integration: the euro, trading platforms and globalization (2008)

Abstract: In this paper the authors disentangle different driving factors of sovereign bond market integration by studying yield co-movements of EMU countries, the UK, the US and 16 German Länder in the last 15 years. At a low frequency of weeks, bond market integration has increased gradually in the course of the last 15 years in EMU countries, as well as the UK, the US and the German Länder.

Guscina Anastasia
Impact of Macroeconomic, Political, and Institutional Factors on the Structure of Government Debt in Emerging Market Countries (2008)

Abstract: Debt crises that have shaken Latin America, Asia, and Russia have brought an increasing attention to the structure of debt in emerging market countries. Using the newly released Jeanne-Guscina EM Government Debt Database 2006 this paper empirically explores the role of macroeconomic, political, and institutional factors in determining the structure of government debt.

Republic of Poland Ministry of Finance
The Public Finance Sector Debt Management Strategy in the years 2008-2010 (2007)

Abstract: According to article 70 of the Public Finance Act of June 30, 2005, the Minister of Finance is obliged each year to prepare a 3-year strategy of managing the State Treasury (ST) debt and of influencing the public debt as a whole. The Strategy is presented to the Council of Ministers for approval and then submitted to the Sejm (lower house of the Parliament) together with the justification of the draft budget act.

Ammer John, Cai Fang

Sovereign CDS and Bond Pricing Dynamics in Emerging Markets: Does the Cheapest-to-Deliver Option Matter? (2007)

Abstract: In this paper is examined the relationships between credit default swap (CDS) premiums and bond yield spreads for nine emerging market sovereign borrowers. We find that these two measures of credit risk deviate considerably in the short run, due to factors such as liquidity and contract specifications, but we estimate a stable long-term equilibrium relationship for most countries.

Jeanne Olivier, Guscina Anastasia

Government Debt in Emerging Market Countries: A New Data Set (2006)

Abstract: This paper presents a new database on government debt in 19 emerging market countries since 1980. The data set focuses on the structure of debt in terms of jurisdiction of insurance, maturity, currency composition and indexation. The paper presents stylized facts on debt structures and preliminary evidence on their determinants. We observe substantial cross-country variation in the structure of domestic debt and find it to be associated with countries' record of monetary stability.

Rochet Jean-Charles

Optimal Sovereign Debt: An Analytical Approach (2006)

Abstract: This paper develops a model of sovereign debt where governments are myopic. Instead of focusing on the incentives to repay, as in most of the theoretical literature on the topic (which assumes implicitly that governments have long-term objectives), I therefore consider that governments always repay when they can, but also borrow as much as possible, without paying attention to the burden of future repayments.

Gill Indermit, Pinto Brian

Public Debt in developing countries: has the market-based model worked? (2005)

Abstract: Over the past 25 years, significant levels of public debt and external finance are more likely to have enhanced macroeconomic vulnerability than economic growth in developing countries. This conclusion applies not just to countries with a history of high inflation and past default, but also to those in East Asia, with a long tradition of prudent macroeconomic policies and rapid growth.

New Events

3-5 December 2008 at the University of Rome "Tor Vergata"

XVII International Tor Vergata Conference on Banking and Finance on:

"Emerging Markets, Currencies, and Financial Stability"

The "Money and Finance" research area every year organises an international conference on issues regarding financial institutions, monetary and fiscal policies and the relationships between Finance, Technological Innovation and Growth.

The previous editions of the conference dealt with: Integration of Capital Markets, microstructure and performance of financial markets, credit risk, financial and banking crisis, access of the small and medium enterprises to external financing, finance and growth.

2-5 December 2008 at the OECD Conference Centre, Paris, France

Extraordinary Session of the Working Party on Public Debt Management

on 02-Dec-2008

Members of the Working Party on Public Debt Management are invited to a special half-day meeting on the implications of the crisis for debt management strategies and operations. This meeting will take place back-to-back with the 18th Annual OECD Global Forum on Public Debt Management and the 3rd OECD Forum on African Public Debt Management.

18th OECD Global Forum on Public Debt Management and Emerging Government Securities Markets

On 3-4 December 2008

The 18th OECD Global Forum on Public Debt Management and Emerging Government Securities Markets and the 3rd OECD Forum on African Public Debt Management will be held back-to-back on 3-5 December 2008 at the OECD Conference Centre in Paris, France.

3rd OECD Forum on African Public Debt Management

On 4-5 December 2008

Discussions will focus on an exchange of information on ongoing activities regarding African Public Debt Management and Bond Markets.

27 - 29 October 2008 at Washington, DC

World Bank 4th Sovereign Debt Management Forum

In October, the World Bank Treasury has hosted the Fourth Sovereign Debt Management Forum in Washington, DC, as part of its capacity building and outreach program for borrowers with market access. This forum built on the considerable developments that took place in public debt management in developing and emerging market countries in recent years, as well as improved access to markets.

The event brought together public debt managers as well as members of the international community involved in sovereign debt management capacity building and advisory services, to discuss recent trends and developments, to network with a broad range of peers, and to gain insights to support ongoing efforts to improve policy and practices.

22 - 23 September 2008 in Frankfurt am Main (Germany)

Workshop on implementing the G8 Action Plan on:

Global Support to Develop Domestic Bond Markets in Emerging Market Economies and Developing Countries

The workshop has been hosted by the Deutsche Bundesbank, the International Monetary Fund and the World Bank in order to give an overview of the G8 Action Plan implementation about local bond markets. It is focused on technical assistance for the development of the domestic markets, the strengthening of infrastructure and the debt management. The workshop is divided into four sessions regarding countries of Emerging Asia, Emerging Europe, Latin America and Sub-Saharan Africa.

Frankfurt am Main meeting presentations downloadable in the website