
IMF – Singapore Regional Training Institute (STI)

Course on Vulnerability Diagnostics

Singapore

October 16 – 27, 2017

READING LIST¹

Monday, October 16, L–0 Vulnerabilities and Crises

Claessens S., M.A. Kose, 2014, “Financial Crises: Explanations, Types, and Implications”, Chapter 1, in S. Claessens, M.A. Kose, L. Laeven, and F. Valencia Eds., Financial Crises: Causes, Consequences, and Policy Responses”, Washington DC.

Reinhart, C. M., and K. S. Rogoff, 2014, “Financial and Sovereign Debt Crises: Some Lessons Learned and Those Forgotten,” Chapter 3, in S. Claessens, M.A. Kose, L. Laeven, and F. Valencia Eds., Financial Crises: Causes, Consequences, and Policy Responses, Washington DC.

Taylor, A, 2014, “External Imbalances and Financial Crises,” Chapter 6, in S. Claessens, M.A. Kose, L. Laeven, and F. Valencia Eds., Financial Crises: Causes, Consequences, and Policy Responses, Washington DC.

Monday, October 16, L–1 Forecasting Methods for Tail Risks

Harper D., 2015, Introduction to Value at Risk (VaR), article at Investopedia
<http://www.investopedia.com/articles/04/092904.asp>

Koenker, R. and K. Hallock. Quantile Regression: An Introduction, mimeo
www.econ.uiuc.edu/~roger/research/intro/rq.pdf

De Nicolò, Gianni and Lucchetta, Marcella, 2016, Forecasting Tail Risks. Journal of Applied Econometrics
http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2685707

Tuesday, October 17 L–2 Fiscal Vulnerabilities I: Assessing Debt Sustainability

IMF, 2013, “Staff Guidance Note on Debt Sustainability Analysis for Market Access Countries” (Washington).
<http://www.imf.org/external/pubs/ft/dsa/mac.htm>

IMF, 2015, “Public Debt Vulnerabilities in Low-Income Countries - The Evolving Landscape”, IMF Policy Paper
<http://www.imf.org/external/pp/longres.aspx?id=5004>

Golosov, Mikhail, 2002, “Tax Revenue Forecasts in IMF-supported Programs,” IMF Working Paper 02/236 (Washington: International Monetary Fund).
<http://www.imf.org/external/pubs/ft/wp/2002/wp02236.pdf>

Tuesday, October 17 L–3 Financial Vulnerabilities I: Taxonomy and Measurement of Financial Risks

Laeven, Luc, and Fabián Valencia, 2014, Chapter 2, in “Systemic Banking Crises,” in S. Claessens, M.A. Kose, L. Laeven, and F. Valencia Eds., *Financial Crises: Causes, Consequences, and Policy Responses*, Washington DC.

Čihák, Martin, 2007, “Introduction to Applied Stress Testing,” IMF Working Paper, WP07/59, Washington DC.

Wednesday October 18 L–4 External Vulnerabilities I: Bond Yields and Sovereign Default Risk

IMF, 2010, “The IMF-FSB Early Warning Exercise: Design and Methodological Toolkit” (Washington), pp.22-23.

<http://www.imf.org/external/pp/longres.aspx?id=4479>

Alper, E., L. Forni and M. Gerard, 2012, “Pricing of Sovereign Credit Risk: Evidence from Advanced Economies During the Financial Crisis,” IMF Working Paper 12/14.

<http://www.imf.org/external/pubs/ft/wp/2012/wp1224.pdf>

Wednesday October 18 L–5 Financial Vulnerabilities II: Detecting Financial Fragility

IMF, 2012, “Macrofinancial Stress Testing: Principles and Practices,” IMF Paper on Policy (Washington: International Monetary Fund).

<http://www.imf.org/external/np/pp/eng/2012/082212.pdf>

Thursday, October 19 L–6 Fiscal Vulnerabilities II: Short-Term Risks

IMF, 2010, “The IMF-FSB Early Warning Exercise: Design and Methodological Toolkit” (Washington), pp.22-23.

<http://www.imf.org/external/pp/longres.aspx?id=4479>

Schaechter, Andrea, and others, 2012, “A Toolkit for Assessing Fiscal Vulnerabilities and Risks in Advanced Economies,” IMF Working Paper No. 12/11.

<http://www.imf.org/external/pubs/ft/wp/2012/wp1211.pdf>

Thursday, October 19 L–7 External Vulnerabilities II: Current Account Imbalances

Phillips, Steven, and others, 2013, “The External Balance Assessment (EBA) Methodology,” IMF Working Paper, WP/13/272.

<https://www.imf.org/external/pubs/cat/longres.aspx?sk=41200.0>

IMF, 2016, 2016 External Sector Report, July 27

<https://www.imf.org/external/np/pp/eng/2016/072716.pdf>

Friday, October 20 L–8 Financial Vulnerabilities III: Financial Cycles, Business Cycles and Systemic Risk

Drehmann, Mathias, and others, 2012, “Characterizing the Financial Cycle: Don’t Lose Sight of the Medium Term!” BIS Working Paper No 380, June.

<http://www.bis.org/publ/work380.htm>

Dimitrios Bisiias, Mark Flood, Andrew W. Lo, Stavros Valavanis, 2012, A Survey of Systemic Risk Analytics, Office of Financial Research, WP # 0001

[http://bigdata.csail.mit.edu/sites/bigdata/files/sites/Lo%20abstract%20and%20paper%20-%20Systemic OFR1 final.pdf](http://bigdata.csail.mit.edu/sites/bigdata/files/sites/Lo%20abstract%20and%20paper%20-%20Systemic%20OFR1%20final.pdf)

Monday, October 23 L–9 Fiscal Vulnerabilities III: Stochastic DSA

IMF, 2013, “Staff Guidance Note on Debt Sustainability Analysis for Market Access Countries” (Washington).

<http://www.imf.org/external/np/pp/eng/2013/050913.pdf>

Celasun O., X. Debrun, and J.D. Ostry, 2006, “Primary Surplus Behavior and Risks to Fiscal Sustainability in Emerging Market Countries: A “Fan-Chart” Approach”, IMF Working Paper 06/67

<https://www.imf.org/external/pubs/ft/wp/2006/wp0667.pdf>

Monday, October 23 L–10 External Vulnerabilities III: Reserve Adequacy

Espinosa-Vega, Marco A., and Juan Solé (2014), “Cross-Border Financial Surveillance: A Network Perspective,” IMF Working Paper WP/10/105

<https://www.imf.org/external/pubs/ft/wp/2010/wp10105.pdf>

Tuesday, October 24 L–11 Fiscal Vulnerabilities IV: Long-Term Risks

IMF, 2010, “The IMF-FSB Early Warning Exercise: Design and Methodological Toolkit” (Washington), pp.22-23.

<http://www.imf.org/external/pp/longres.aspx?id=4479>

Ostry, Jonathan D., and others, 2010, “Fiscal Space”, IMF Staff Position Note 10/11.

<http://www.imf.org/external/pubs/ft/spn/2010/spn1011.pdf>

Tuesday, October 24 L–12 Financial Vulnerabilities IV: Spillovers and Contagion

IMF, 2011, “Assessing Reserve Adequacy”

<http://www.imf.org/external/np/pp/eng/2011/021411b.pdf>

IMF, 2013, “Assessing Reserve Adequacy – Further Considerations”

<http://www.imf.org/external/np/pp/eng/2013/111313d.pdf>

IMF, 2014, “Assessing Reserve Adequacy – Specific Proposals”

<http://www.imf.org/external/np/pp/eng/2014/121914.pdf>

Wednesday October 25 L-13 The IMF's Vulnerabilities Exercises

IMF, 2011, "Managing Volatility: A Vulnerability Exercise for Low-Income Countries"

<https://www.imf.org/external/np/pp/eng/2011/030911.pdf>

IMF, 2010, "The IMF-FSB Early Warning Exercise: Design and Methodological Toolkit," Policy Paper.

<http://www.imf.org/external/pp/longres.aspx?id=4479>

IMF, 2016, "Factsheet: The IMF-FSB Early Warning Exercise," (Washington).

<http://www.imf.org/external/np/exr/facts/ewe.htm>