

IMF – Singapore Regional Training Institute (STI)

Course on the Early Warning Exercise (ST13.27)

Singapore

September 30 – October 11, 2013

Reading List

Session	Topic	Source
L-1	A Taxonomy of Crises: Analytical Considerations and Case Studies Brookings Institution, <i>Think Tank 20: The G-20 and Central Banks in the New World of Unconventional Monetary Policy</i> , Introduction, pp. 1–5 (Washington, DC: Brookings Institution). http://www.brookings.edu/research/reports/2013/08/g20-central-banks-monetary-policy Krugman, Paul, 2010, “Crises,” mimeograph, Princeton University (January). http://www.princeton.edu/~pkrugman/CRISES.pdf Reinhart, Carmen M., and Kenneth S. Rogoff, 2008, “This Time is Different: A Panoramic View of Eight Centuries of Financial Crises,” NBER Working Paper 13882 (Cambridge, Massachusetts: National Bureau of Economic Research). http://www.nber.org/papers/w13882 <i>Supplementary:</i> Burnside, Craig, Martin Eichenbaum, and Sergio Rebelo, 2007, “Currency Crisis Models”, <i>The New Palgrave: A Dictionary of Economics</i> , 2 nd Edition. http://www.dictionaryofeconomics.com/article?id=pde2008_S000204	Link only Link only Link only Link only
L-2	Risk Assessment and the IMF-FSB Early Warning Exercise International Monetary Fund, 2013, “The IMF-FSB Early Warning Exercise: Design and Methodological Toolkit,” Part II (Washington: International Monetary Fund), preliminary draft. Systemic Banking Crises Database: An Update; by Luc Laeven and Fabián Valencia; IMF Working Paper 12/163; June 1, 2012 http://www.imf.org/external/pubs/ft/wp/2012/wp12163.pdf	Course website Link only
L-3	IMF’s Vulnerability Exercise for Emerging Economies (VEE) Frankel, Jeffrey A. and George Saravelos, 2010, “Are Leading Indicators of Financial Crises Useful for Assessing Country Vulnerability? Evidence from the 2008–09 Global Crisis,” NBER Working Paper 16047 (Cambridge, Massachusetts: National Bureau of Economic Research). http://www.nber.org/papers/w16047 Taylor, Alan M., 2012, “External Imbalances and Financial Crises,” NBER Working Paper No. 18606 (Cambridge, Massachusetts: National Bureau of Economic Research). http://www.nber.org/papers/w18606	Link only Link only

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	<p><i>Supplementary:</i> Berg, Andrew, and others, 2000, “Anticipating Balance of Payments Crises: The Role of Early Warning Systems,” IMF Occasional Paper 186 (Washington: International Monetary Fund).</p> <p><i>Supplementary:</i> Berg, A., E. Borensztein, and C. Pattillo, 2004, “Assessing Early Warning Systems: How Have They Worked in Practice?” IMF Working Paper 04/52 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/cat/longres.cfm?sk=17197.0</p> <p><i>Supplementary:</i> Chamon, Marcos, and Christopher Crowe, 2011, “Evidence on Financial Globalization and Crisis: ‘Predictive’ Indicators of Crises,” mimeo, International Monetary Fund (forthcoming; Elsevier’s Online Encyclopedia of Financial Globalization).</p> <p><i>Supplementary:</i> Kaminsky, Graciela, and others, 1998, “Leading Indicators of Currency Crises,” <i>IMF Staff Papers</i>, Vol. 45 (March), No. 1, pp. 1–48. http://www.imf.org/external/pubs/ft/staffp/1998/03-98/pdf/kaminsky.pdf</p>	<p>Reference only</p> <p>Link only</p> <p>Reference only</p> <p>Link only</p>
<p>L–4 L–5</p>	<p>An Introduction to Quantitative Methods Used in the Early Warning Exercise</p> <p>EViews 7 Users Guide I – II.</p> <p>Enders, Walter, 2010, Chapters 3, 5, and 6, in <i>Applied Econometric Time Series</i>, 3rd Edition (New York: John Wiley & Sons).</p> <p>On Probit and Logit Regressions:</p> <p>Stock, James H., and Mark W. Watson, 2010, Chapter 11 in <i>Introduction to Econometrics</i> 3rd Edition (Boston, Massachusetts: Pearson Education, Inc.).</p> <p>On Factor-Augmented VARs:</p> <p>Bernanke, Ben S., Jean Boivin, and Piotr Elias, “Measuring the Effects of Monetary Policy: A Factor-Augmented Vector Autoregressive (FAVAR) Approach,” NBER Working Paper 10220 (Cambridge, Massachusetts: National Bureau of Economic Research). http://www.nber.org/papers/w10220</p> <p>On Quantile Regression:</p> <p>Koenker, Roger and Kevin Hallock, 2001, “Quantile Regression,” <i>Journal of Economic Perspectives</i>, Vol. 15, No. 4, pp. 143–56. Available via: http://www.econ.uiuc.edu/~roger/research/rq/QRJEP.pdf</p> <p><i>Supplementary:</i> Koenker, Roger, 2005, <i>Quantile Regression</i> (New York: Cambridge University Press.)</p>	<p>EViews Help Menu</p> <p>Reference only</p> <p>Reference only</p> <p>Link only</p> <p>Link only</p> <p>Reference only</p>

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L-6	<p>The IMF's Vulnerability Exercise for Advanced Economies (VEA)</p> <p>International Monetary Fund, 2013, "The IMF-FSB Early Warning Exercise: Design and Methodological Toolkit," Part II (Washington: International Monetary Fund), preliminary draft.</p> <p><i>Supplementary:</i> Bisias, Dimitrios, Mark Flood, Andrew W. Lo and Stavros Valavanis, 2012, "A Survey of Systemic Risk Analytics", U.S. Department of the Treasury, Office of Financial Research, Working Paper #0001, January 5. http://www.treasury.gov/initiatives/ofr/research/Pages/Working-Paper-Series.aspx</p>	<p>Course website</p> <p>Link only</p>
L-7	<p>Guest Lecture: Financial Stability Indicators in Asia</p> <p>To be provided separately.</p>	
L-8	<p>Fiscal Vulnerability Indicators</p> <p>Schaechter, Andrea, and others, 2012, "A Toolkit to Assessing Fiscal Vulnerabilities and Risks in Advanced Economies," IMF Working Paper 12/11 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/ft/wp/2012/wp1211.pdf</p> <p><i>Supplementary:</i> Arslanalp, Serkan, and Takahiro Tsuda, 2012, "Tracking Global Demand for Advanced Economy Sovereign Debt," IMF Working Paper 12/284 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/ft/wp/2012/wp12284.pdf</p> <p><i>Supplementary:</i> Baldacci, E., J. McHugh and I. Petrova, 2011, "Indicators of Fiscal Vulnerability and Fiscal Stress," IMF Working Paper 11/94. Available via: http://www.imf.org/external/pubs/ft/wp/2011/wp1194.pdf</p>	<p>Link only</p> <p>Link only</p> <p>Link only</p>
L-9	<p>External Vulnerability Indicators</p> <p>International Monetary Fund, 2013, "External Balance Assessment (EBA) Methodology: Technical Background." http://www.imf.org/external/np/res/eba/pdf/080913.pdf</p> <p>International Monetary Fund, 2013, "Pilot External Sector Report." http://www.imf.org/external/np/pp/eng/2013/062013.pdf</p> <p><i>Supplementary:</i> Taylor, Alan M., 2012, "External Imbalances and Financial Crises," NBER Working Paper No. 18606 (Cambridge, Massachusetts: National Bureau of Economic Research). http://www.nber.org/papers/w18606</p>	<p>Link only</p> <p>Link only</p> <p>Link only</p>

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L-10	<p>Financial Sector Vulnerability Indicators</p> <p>International Monetary Fund, 2009, “Assessing the Systemic Implications of Financial Linkages,” Chapter 2 in <i>Global Financial Stability Report</i> (Washington: International Monetary Fund), April. http://www.imf.org/external/pubs/ft/gfsr/2009/01/pdf/chap2.pdf</p> <p><i>Supplementary:</i> Arregui, Nicolas, and others, 2013, Evaluating the Net Benefits of Macroprudential Policy: A Cookbook,” IMF Working Paper 13/167 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/ft/wp/2013/wp13167.pdf</p> <p><i>Supplementary:</i> Arsov, Ivailo, and others, 2013, “Near-Coincident’ Indicators of Systemic Stress,” IMF Working Paper 13/115 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/ft/wp/2013/wp13115.pdf</p> <p><i>Supplementary:</i> Dattels, Peter, and others, 2010, “Can You Map Global Financial Stability?” IMF Working Paper 10/145 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/ft/wp/2010/wp10145.pdf</p> <p><i>Supplementary:</i> Segoviano, Miguel A., and Charles Goodhart, 2009, “Banking Stability Measures,” IMF Working Paper 09/4 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/ft/wp/2009/wp0904.pdf</p>	<p>Link only</p> <p>Link only</p> <p>Link only</p> <p>Link only</p> <p>Link only</p>
L-11	<p>Assessing Spillovers and Contagion</p> <p>International Monetary Fund, 2013, “The IMF-FSB Early Warning Exercise: Design and Methodological Toolkit,” Part II (Washington: International Monetary Fund), preliminary draft.</p> <p>Blancher, Nicolas, and others, 2013, “Systemic Risk Monitoring (“SysMo”) Toolkit—A User Guide,” IMF Working Paper 13/168 (Washington: International Monetary Fund). Available via: http://www.imf.org/external/pubs/ft/wp/2013/wp13168.pdf</p> <p><i>Supplementary:</i> Bisiyas, Dimitrios, Mark Flood, Andrew W. Lo and Stavros Valavanis, 2012, “A Survey of Systemic Risk Analytics”, U.S. Department of the Treasury, Office of Financial Research, Working Paper #0001, January 5. Available via: http://www.treasury.gov/initiatives/ofr/research/Pages/Working-Paper-Series.aspx</p> <p><i>Supplementary:</i> Caceres, Carlos, and others, 2010, “Sovereign Spreads: Global Risk Aversion, Contagion or Fundamentals?” IMF Working Paper 10/120 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/ft/wp/2010/wp10120.pdf</p>	<p>Course website</p> <p>Link only</p> <p>Link only</p> <p>Link only</p>

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	<p><i>Supplementary:</i> De Nicolo, Gianni, and Marcella Lucchetta, 2010, “Systemic Risks and the Macroeconomy,” IMF Working Paper 10/29 (Washington: International Monetary Fund). Available via: http://www.imf.org/external/pubs/ft/wp/2010/wp1029.pdf</p>	Link only
	<p><i>Supplementary:</i> Espinosa-Vega, Marco A., and Juan Solé, 2010, “Cross-Border Financial Surveillance: A Network Perspective,” IMF Working Paper 10/105 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/ft/wp/2010/wp10105.pdf</p>	Link only
	<p><i>Supplementary:</i> Jobst, Andreas A., and Dale F. Gray, 2013, “Systemic Contingent Claims Analysis – Estimating Market-Implied Systemic Risk,” IMF Working Paper 13/54 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/ft/wp/2013/wp1354.pdf</p>	Link only
	<p><i>Supplementary:</i> Segoviano, Miguel A., and Charles Goodhart, 2009, “Banking Stability Measures,” IMF Working Paper 09/4 (Washington: International Monetary Fund). Available via: http://www.imf.org/external/pubs/ft/wp/2009/wp0904.pdf</p>	Link only
	<p><i>Supplementary:</i> Tressel, Thierry, 2010, “Financial Contagion through Bank Deleveraging: Stylized Facts and Simulations Applied to the Financial Crisis,” IMF Working Paper 10/236 (Washington: International Monetary Fund). Available via: http://www.imf.org/external/pubs/ft/wp/2010/wp10236.pdf</p>	Link only
	<p><i>Supplementary:</i> Vitek, Francis, 2009, “Monetary Policy Analysis and Forecasting in the World Economy: A Panel Unobserved Components Approach,” IMF Working Paper 09/238. Available via: www.imf.org/external/pubs/ft/wp/2009/wp09238.pdf</p>	Link only