

INTERNATIONAL MONETARY FUND
Joint Vienna Institute / Institute for Capacity Development
Course on Macro-Financial Surveillance (JV15.21)
Vienna, Austria
July 27– August 7, 2015
PROGRAM

Monday, July 27

8:30 a.m. – 9:00 a.m.		Administrative Briefing
9:00 a.m. – 9:30 a.m.		Opening Session Mr. Norbert Funke, Director, Joint Vienna Institute Mr. Charles Kramer, Assistant Director, Western Hemisphere Division, Institute for Capacity Development
9:30 a.m. – 10:00 a.m.		Quiz
10:15 a.m. – 12:30 p.m.	L-1	Macro-Financial Linkages and Surveillance <ul style="list-style-type: none">• Integrating finance to macro-surveillance• Why finance matters for macroeconomics• Practical implications for surveillance Mr. Adam Gersl, Senior Economist, Joint Vienna Institute
2:00 p.m. – 3:30 p.m.	L-2	Modeling and Interpreting Financial Market Data <ul style="list-style-type: none">• Statistical distribution of returns• Efficient market hypothesis• Volatility models Mr. Seung Mo Choi, Economist, Asian Division, Institute for Capacity Development <i>Coffee break</i>
4:00 p.m. – 5:30 p.m.	W-1	Workshop: Financial Market Data Messrs. Kramer, Choi, Gersl

Unless otherwise noted, there are two coffee breaks in the morning (10:00 a.m. - 10:15 a.m. and 11:15 a.m. – 11:30 a.m.) and two in the afternoon (3:00 p.m. – 3:15 p.m. and 4:15 pm – 4:30 p.m.). Lunch break is from 12:30 p.m. till 2:00 p.m.

Tuesday, July 28

- 9:00 a.m. – 12:30 p.m. L-3 **Extracting Information from the Term Structure of Interest Rates**
- Bond analytics and term structure of interest rates
 - Theories of the term structure
 - Predictive content of the term structure

Mr. Kramer

- 2:00 p.m. – 5:30 p.m. W-2 **Workshop: Extracting Information from the Term Structure**
Messrs. Kramer, Choi, Gersl

Wednesday, July 29

- 9:00 a.m. – 12:30 p.m. L-4 **Extracting Information from Credit Spreads**
- Credit spread puzzle
 - Pricing of credit default swaps
 - Basis between credit default swaps and bonds

Mr. Choi

- 2:00 p.m. – 5:30 p.m. W-3 **Workshop: Extracting Information from Credit Spreads**
Messrs. Kramer, Choi, Gersl

Thursday, July 30

- 9:00 a.m. – 12:30 p.m. L-5 **Extracting Information from Equity Prices**
- Investments and corporate finance perspectives
 - Equity prices and macroeconomy
 - Equity prices and financial stability

Mr. Kramer

- 2:00 p.m. – 5:30 p.m. W-4 **Workshop: Extracting Information from Equity Prices**
Messrs. Kramer, Choi, Gersl
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Friday, July 31

- 9:00 a.m. – 12:30 p.m. L-6 **Risk Management and Models**
- Market risk model: value at risk
 - Traditional models of credit risk
 - New approaches to modeling credit risk

Mr. Gersl

- 2:00 p.m. – 5:30 p.m. W-5 **Workshop: Value at Risk**
Messrs. Kramer, Choi, Gersl

Monday, August 3

- 9:00 a.m. – 10:30 a.m. L-7 **Extracting Information from Options Prices**
- Pricing of options
 - Implied volatility
 - Volatility smiles

Mr. Choi

- 11:00 a.m. – 12:30 p.m. L-8 **Contingent Claims Analysis for Banks**
- The KMV credit monitor model
 - Measuring the extent of risk transfer
 - Valuing the implicit guarantee

Mr. Gersl

- 2:00 p.m. – 3:30 p.m. W-6 **Workshop: KMV Model**
Messrs. Kramer, Choi, Gersl

- 4:00 p.m. – 5:30 p.m. O-1 **Participants Presentation on Financial Sector Issues—
Preparation (Part 1)**

Tuesday, August 4

- 9:00 a.m. – 10:30 a.m. L-9 **Banking and Financial Crises**
- Banking and financial crises
 - Macro-financial early warning indicators
 - Time-series component of systemic risk

Mr. Gersl

Tuesday, August 4 (continued)

11:00 a.m. – 12:30 p.m. L-10 **Bank Analysis and Stress Testing**
• Financial fragility
• Modelling bank runs
• Stress testing

Mr. Gersl

2:00 p.m. – 5:30 p.m. W-7 **Workshop: Stress Testing**
Messrs. Kramer, Choi, Gersl

Wednesday, August 5

9:00 a.m. – 12:30 p.m. L-11 **Systemic Risk**
• Cross-section component of systemic risk
• Network approach
• Policy implications

Mr. Kramer

2:00 p.m. – 3:30 p.m. W-8 **Workshop: Systemic Risk**
Messrs. Kramer, Choi, Gersl

4:00 p.m. – 5:30 p.m. O-2 **Participants Presentation on Financial Sector Issues—
Preparation (Part 2)**

Thursday, August 6

9:00 a.m. – 12:30 p.m. L-12 **New Tools for Macro-Financial Surveillance**
Mr. Choi
• Overview of analytical tools
• New systemic risk measures
• Evaluating effectiveness

2:00 p.m. – 3:30 p.m. O-3 **Participants Presentation on Financial Sector Issues—
Preparation (Part 3)**

O-4 **Participants Presentation on Financial Sector Issues—
Presentations**

Friday, August 7

9:00 a.m. – 10:15 a.m.	L-13	Guest Lecture on Macrofinancial Surveillance Mr. Paul Hiebert, Deputy Head, Financial Stability Surveillance Division, European Central Bank
10:30 a.m. – 11:00 a.m.	O-5	Review of the Course Concepts and General Discussion Messrs. Kramer, Choi, Gersl
11:00 a.m. – 11:30 a.m.		Quiz
11:45 a.m. – 12:30 p.m.		Closing Session and Presentation of Certificates
