

**INTERNATIONAL MONETARY FUND**  
**Joint Vienna Institute / Institute for Capacity Development**  
**Course on Exchange Rate Policy**  
**Vienna, Austria**  
**July 3—14, 2017**  
**PROGRAM**

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***Monday, July 3***

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8:30 a.m. – 9:00 a.m.		<b>Administrative Briefing</b> Ms. Marina Scherbakova, Program Officer, JVI
9:00 a.m. – 9:30 a.m.		<b>Opening Remarks</b> Mr. Thomas Richardson, Director JVI, Mr. Rafael Portillo, JVI Mr. Michael Leahy, Consultant Ms. Rui Xu, ICD
9:30 a.m. – 10:00 a.m.		<b>Quiz</b>
10:30 a.m. – 12:00 p.m.	L-1	<b>Introductory lecture</b> Mr. Rafael Portillo <ul style="list-style-type: none"><li>• <i>Structure of the course</i></li><li>• <i>Lectures</i></li><li>• <i>Workshops</i></li></ul>
2:00 p.m. – 3:30 p.m.	L-2	<b>Basic Principles of Exchange Rate Analysis</b> Mr. Michael Leahy <ul style="list-style-type: none"><li>• <i>Key definitions and concepts</i></li><li>• <i>The determinants of the real effective exchange rate (REEER)</i></li></ul>
4:00 p.m. – 5:30 p.m.	L-3	<b>The Role of the Real Exchange Rate</b> Mr. Rafael Portillo <ul style="list-style-type: none"><li>• <i>The exchange rate in internal and external balance</i></li><li>• <i>The REER as an indicator of external competitiveness</i></li><li>• <i>The relationship between REER and economic growth</i></li></ul>

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***Tuesday, July 4***

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9:00 a.m. – 12:30 p.m.	L-4	<b>Equilibrium REER and REER Misalignment</b> Ms. Rui Xu <ul style="list-style-type: none"><li>• <i>Exchange rate assessment methodologies</i></li><li>• <i>The External Balance Assessment (EBA) model</i></li><li>• <i>Limitations, extensions, and the role of judgement</i></li></ul>
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2:00 p.m. – 5:30 p.m.	W-1	<b>Workshop on the External Balance Assessment</b> Facilitated by Ms. Rui Xu
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***Wednesday, July 5***

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9:00 a.m. – 10:30 a.m.	L-5	<b>Size and Structure of the Global Foreign Exchange (FX) Market</b> Mr. Michael Leahy <ul style="list-style-type: none"> <li>• <i>Size and trends, Instruments</i></li> <li>• <i>Currencies traded, market participants</i></li> <li>• <i>Models of exchange rate determination</i></li> </ul>
11:00 a.m. – 12:30 p.m.	L-6	<b>FX Interventions</b> Mr. Michael Leahy <ul style="list-style-type: none"> <li>• <i>Sterilized and non-sterilized interventions</i></li> <li>• <i>Channels and effectiveness of FX interventions</i></li> <li>• <i>Objectives and modalities of FX interventions</i></li> </ul>
2:00 p.m. – 3:30 p.m.	L-7	<b>FX Reserve Adequacy</b> Ms. Rui Xu <ul style="list-style-type: none"> <li>• <i>Trends in FX reserve accumulation</i></li> <li>• <i>Indicators of FX reserve adequacy</i></li> </ul>
4:00 p.m. – 5:30 p.m.	W-2	<b>Workshop: FX Reserve Adequacy</b> Facilitated by Ms. Rui Xu

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***Thursday, July 6***

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9:00 a.m. – 10:30 a.m.	L-8	<b>Exchange Rate Regimes: An Overview</b> Mr. Michael Leahy <ul style="list-style-type: none"> <li>• <i>Taxonomy of exchange rate regimes</i></li> <li>• <i>The trilemma between exchange rate regime, policy independence and capital mobility</i></li> <li>• <i>History of exchange rate arrangements</i></li> </ul>
11:00 a.m. – 12:30 p.m.	L-9	<b>Exchange Rate Regimes and Macroeconomic Policy</b> Mr. Michael Leahy <ul style="list-style-type: none"> <li>• <i>The exchange rate as nominal anchor</i></li> <li>• <i>External adjustment and crises</i></li> <li>• <i>Exchange rates and economic integration</i></li> </ul>
2:00 p.m. – 5:30 p.m.	W-3	<b>Workshop: Choice of the Exchange Rate Regime</b> Facilitated by Mr. Michael Leahy

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**Friday, July 7**

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9:00 a.m. – 12:30 p.m.	L–10	<b>Practical Problems of Exchange Rate Policies in Developing and Emerging Market Economies</b> Mr. Rafael Portillo <ul style="list-style-type: none"><li>• <i>Fear-of-floating</i></li><li>• <i>The use of hybrid exchange rate regimes</i></li><li>• <i>Policies to alleviate the fear-of-floating</i></li></ul>
2:00 p.m. – 5:30 p.m.	W–4	<b>Workshop: Managed Floats</b> Facilitated by Mr. Rafael Portillo

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**Monday, July 10**

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9:00 a.m. – 12:30 p.m.	W–5	<b>Workshop: Policy Responses in Selected Emerging and Developing Economies to External Shocks</b> Facilitated by Mr. Rafael Portillo
2:00 p.m. – 3:30 p.m.	L–11	<b>Transitions from Fixed to Flexible Exchange Rate Regimes</b> Mr. Rafael Portillo <ul style="list-style-type: none"><li>• <i>Elements for smooth transitions from fixed to flexible regimes</i></li><li>• <i>Selected country experiences</i></li></ul>
4:00 p.m. – 5:30 p.m.	W–6	<b>Workshop: Transitions from Fixed to Flexible Exchange Rates</b> Facilitated by Mr. Rafael Portillo

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**Tuesday, July 11**

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9:00 a.m. – 10:30 a.m.	L–12	<b>Currency Crises</b> Ms. Rui Xu <ul style="list-style-type: none"><li>• <i>Models of currency crises</i></li><li>• <i>Links between currency crises and other types of financial crises</i></li><li>• <i>The role of macroeconomic policies in currency crisis prevention</i></li></ul>
11:00 a.m. – 12:30 p.m.	L–13	<b>Early Warning Systems for Currency Crises</b> Ms. Rui Xu <ul style="list-style-type: none"><li>• <i>Building an Early Warning System</i></li><li>• <i>Performance of the EWS</i></li><li>• <i>Examples in the literature</i></li></ul>
2:00 p.m. – 5:30 p.m.	W–7	<b>Workshop: Early Warning Systems for Currency Crises</b> Facilitated by Ms. Rui Xu

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***Wednesday, July 12***

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9:00 a.m. – 12:30 p.m.	O-1	<b>Preparation for Participants' Presentations (case studies on FX intervention).</b> Facilitated by Mr. Leahy, Mr. Portillo, and Ms. Xu
2:00 p.m. – 5:30 p.m.	O-1	<b>Preparation for Participants' Presentations (case studies on FX intervention).</b> Facilitated by Mr. Leahy, Mr. Portillo, and Ms. Xu

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***Thursday, July 13***

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9:00 a.m. – 12:30 p.m.	O-1	<b>Preparation for Participants' Presentations (case studies on FX intervention).</b> Facilitated by Mr. Leahy, Mr. Portillo, and Ms. Xu
2:00 p.m. – 5:30 p.m.	O-1	<b>Preparation for Participants' Presentations (case studies on FX intervention).</b> Facilitated by Mr. Leahy, Mr. Portillo, and Ms. Xu

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***Friday, July 14***

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9:00 a.m. – 10:30 a.m.	O-1	<b>Participants' Presentations</b> Moderators: Mr. Leahy, Mr. Portillo, and Ms. Xu.
11:00 a.m. – 11:45 a.m.		<b>Course Evaluation and Final Quiz</b>
11:45 a.m. – 12:30 p.m.		<b>Closing Session and Presentation of Certificates</b> Mr. Leahy, Mr. Portillo, and Ms. Xu.

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