INTERNATIONAL MONETARY FUND

Joint Vienna Institute / Institute for Capacity Development
Course on Macro-Financial Surveillance (JV15.26)

July 27– August 7, 2015

READING LIST

Session	Topic
L–1	**Macro-Financial Linkages and Surveillance** Woodford, Michael, 2010, "Financial Intermediation and Macroeconomic Analysis," *Journal of Economic Perspectives*, Vol. 24, No. 4, (Fall), pp. 21–44. http://www.aeaweb.org/articles.php?doi=10.1257/jep.24.4.21 Tae Soo Kang and Guonan Ma, 2007, "Recent Episodes of Credit Card Distress in Asia," *BIS Quarterly Review* (June). http://www.bis.org/publ/qtrpdf/r_qt0706g.pdf Quadrini, V., 2011, "Financial Frictions in Macroeconomic Fluctuations," *Federal Reserve Bank of Richmond*, *Economic Quarterly*, Vol. 97, No. 3, pp. 209–254. https://www.richmondfed.org/publications/research/economic_quarterly/2011/q3/quadrini.cfm *Supplementary:* Mendoza, Enrique, 2008, "Sudden Stops, Financial Crisis and Leverage: A Fisherian Deflation of Tobin's Q," NBER Working Paper No. 14444 (The National Bureau of Economic Research). http://www.nber.org/papers/w14444 Gertler, Mark, Simon Gilchrist, Fabio Natalucci, 2001, "External Constraints on Monetary Policy and the Financial Accelerator," (February), PennState University. http://www.nber.org/papers/w10128
L–2	**Modeling and Interpreting Financial Market Data** Burton, G. Malkiel, 2003, "The Efficient Market Hypothesis and Its Critics," *The Journal of Economic Perspectives*, Vol. 17, No. 1 (Winter, 2003), pp. 59–82. http://www.jstor.org/stable/3216840
L–3	**Extracting Information from the Term Structure of Interest Rates** Campbell, John Y. 1995, "Some Lessons from the Yield Curve", *The Journal of Economic Perspectives,*" Volume 9, No. 3 (Summer), pp. 129–152. http://www.jstor.org/stable/2138430

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L–4	**Extracting Information from Credit Spreads** Amato, Jeffrey, and Eli Remolona, 2003, "The Credit Spread Puzzle," in Quarterly Review, December (Bank for International Settlements). http://www.bis.org/publ/qtrpdf/r_qt0312e.pdf *Supplementary:* Hull, John, and Alan White, 2000, "Valuing Credit Default Swaps I: No Counterparty Default Risk," *Journal of Derivatives*, Vol. 8, No. 1, pp. 29–40. http://scholar.google.com/scholar?cluster=6377621650464317909&hl=en&as_sdt=0,5 Hull, John, Mirela Predescu, and Alan White, 2005, "Bond Prices, Default Probabilities and Risk Premiums," *Journal of Credit Risk*, Vol. 1, No. 2, pp. 53–60. http://scholar.google.com/scholar?cluster=3704240074910149879&hl=en&as_sdt=0,5
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L–8	**Contingent Claims Analysis for Banks** Gapen, Michael, and others, 2004, "The Contingent Claims Approach to Corporate Vulnerability Analysis: Estimating Default Risks and Economy-Wide Risk Transfer," IMF Working Paper WP/04/121 (Washington: International Monetary Fund). http://www.imf.org/external/pubs/ft/wp/2004/wp04121.pdf Gapen, Michael, and others, 2004, "Measuring and Analyzing Sovereign Risk with Contingent Claims," *Staff Papers*, International Monetary Fund, Vol. 55 (January), No.1. http://www.imf.org/external/pubs/ft/staffp/2008/01/pdf/gapen.pdf *Supplementary:* Gray, Dale, and Samuel Malone, 2008, *Macrofinancial Risk Analysis* (London: Wiley Finance). International Monetary Fund, 2010, "Economic Uncertainty, Sovereign Risk and Financial Fragilities," Global Financial Stability Report, October, Chapter 1. https://www.imf.org/External/Pubs/FT/GFSR/2010/02/pdf/chap1.pdf
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L–10	**Bank Analysis and Stress Testing** An Introduction to Macrofinancial Stress Testing: Principles and Practices—Background Material. Prepared by the Monetary and Capital Markets Department (August 29, 2012). http://www.imf.org/external/np/pp/eng/2012/082912a.pdf Borio, Claudio, and others, 2012, "Stress-Testing Macro Stress Testing: Does It Live Up to Expectations?" BIS Working Paper No. 369, January. http://www.bis.org/publ/work369.pdf Haldane, Andrew G., 2009, "Why Banks Failed the Stress Test," speech given at the Marcus-Evans Conference on Stress Testing, February, (London: Bank of England). http://www.bankofengland.co.uk/publications/speeches/2009/speech374.pdf

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