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Crisis and Its Implications The European Sovereign Debt Crisis and Its Impact on Bond and Stock Markets Accounting for Climate Policies in Europe's Sovereign Debt Market Autostrade to the Superhighway Fixed-Income Markets in the United States, Europe, and Japan-Some Lessons for Emerging Markets Market Integration and Contagion - The Curious Case of the Eurozone Debt Crisis Looking Beyond the Euro Area Sovereign Debt Crisis Redefining the Market-State Relationship The Dynamics of Sovereign Debt Crises and Bailouts European Sovereign Bond Liquidity and Central Bank Interventions The European debt crisis

This study argues that the introduction of the euro would have a more immediate and direct impact on European bond markets than on European banking markets. The single currency would create a single private yield curve in the near term and could also lead to a more integrated government bond market. While the immediate impact of the euro for banking markets would be limited, the switch over time by European corporations from bank debt to bond debt would come on top of the competitive challenge that European banks already face. The need for banks to adjust raises a number of potential issues for public policy in Europe, some of which may have broader international implications. This dissertation provides a study on systemic risk in financial markets; it is laid out as follows. Chapter 1 provides a survey of the quantitative measure of systemic risk in the economics and finance literature. In Chapter 2 examine, using conditional VaR (CoVaR), the systemic risk generated by major Spanish financial institutions in the recent global financial crisis and the European sovereign debt crisis as a systemic risk measure. CoVaR was quantified using quantile regression, multivariate generalized autoregressive conditional heteroskedasticity (MGARCH) and copula approaches. We also describe a novel copula-based approach to computing the CoVaR value, given that copula are flexible modellers of joint distribution and are particularly useful for characterizing the tail behaviour that provides such crucial information for the CoVaR. Euro Bonds: Markets, Infrastructure and Trends presents the most recent developments in the Euro bond market. It discusses the problems of the Euro countries, the proposed solutions advocated by European as well as international institutions and investors. Particular emphasis is given to systemic risk and contagion as well as to specific innovative instruments such as structured financial products which protect various classes of investors. This self-contained title provides an organized and comprehensive overview of the current financial situation in Europe and accords the reader the opportunity to understand fully what is happening in the Euro financial market today, as well as some of the possible exit strategies from the crisis. It may be used as an advanced textbook by postgraduate students as well as ambitious undergraduates in finance and economics. It is also useful for non-experts in finance who wish to have an overview of problems in the Euro zone. Contents:The Bond Market in EuropeThe Market InfrastructureGovernment Bond MarketsThe Corporate Bond MarketCredit Rating AgenciesSecuritization MarketMarket Bond ProductsCredit Derivatives Market Readership: Financial analysts, finance academics and business professionals with interest in the Euro zone financial markets, as well as post-crisis trends and developments. Keywords:Euro Bonds;Systemic and Contagion Risk;Fixed-Income Instruments;Structured Financial Products;Stability Bonds;Bond Market Infrastructure;Credit Rating Agencies;Securitization Market;Market Bond Products;Credit Derivatives MarketKey Features:Provides current and detailed explanations on the topicPresents comprehensive examples to provide background for further research and understanding of this topic in relation to the existing literature on bondsReviews: “Euro Bonds: Markets, Infrastructure and Trends provides an outstanding and up-to-date guide to the Euro bonds markets. Detailed and well-documented, it presents a broad range of well-chosen topics in a precise and yet accessible style. It is an excellent choice for anyone seeking insight into the bond markets across the Eurozone and a valuable contribution to the study of these important markets." Nico van der Wijst Professor of Finance Norwegian University of Science and Technology "Euro bonds mean different things to different people. The authors provide a well-researched and well-written comprehensive view of a vast and fast growing area of investment products, financial markets and debt financing instruments. Their narrative comes complete with a wealth of nicely-presented data. The book is a must-read for those studying European markets and the economy and an invaluable reference for those immersed in it, be they policymakers, investors or academic researchers. A big question mark hangs over the future of this book: Will it become the standard reference it deservers? Or will it be consigned soon to a footnote on the history of the Eurozone? The answer is in the hands of Eurozone leaders. Will they decisively address the structural problems of the common currency or will they continue with piecemeal solutions to every new crisis? For the sake of the authors — and of the people of Europe, of course — I hope for the former. The book itself offers some valuable guidance." Stavros A Zenios Professor of Finance and Management Science, University of Cyprus and Senior Fellow, the Wharton Financial Institutions Center, USA "The recent Global Financial Crisis of 2007–09 has highlighted the critical role of corporate bonds, government bonds and sovereign debt, the role of credit rating agencies, securitization, and credit default swaps. This is a truly remarkable book that addresses all these issues with reference to the European bond markets. The book is a masterful creation of internationally recognized scholars and offers generous instruction and valuable insights; it is destined to become a classic in its field." Tassos Malliaris Walter F Mullady Professor of Economics and Finance The Quinlan School of Business, Loyola

University Chicago The global financial crisis saw many Eurozone countries bearing excessive public debt. This led the government bond yields of some peripheral countries to rise sharply, resulting in the outbreak of the European sovereign debt crisis. The debt crisis is characterized by its immediate spread from Greece, the country of origin, to its neighbouring countries and the connection between the Eurozone banking sector and the public sector debt. Addressing these interesting features, this book sheds light on the impacts of the crisis on various financial markets in Europe. This book is among the first to conduct a thorough empirical analysis of the European sovereign debt crisis. It analyses, using advanced econometric methodologies, why the crisis escalated so prominently, having significant impacts on a wide range of financial markets, and was not just limited to government bond markets. The book also allows one to understand the consequences and the overall impact of such a debt crisis, enabling investors and policymakers to formulate diversification strategies, and create suitable regulatory frameworks. This book is an authoritative source of the most up-to-date information on North American, Asian-Pacific and European bond markets. This work investigates liquidity in European sovereign bond markets. Liquidity in financial markets is often neglected when it is abounded, yet evaporating liquidity results in higher costs of transacting and lower information quality of financial markets. The analysis studies liquidity supplying trading strategies in debt markets and the impact of unconventional central bank policies on the time variations in market liquidity. Unconventional policies have been introduced since the global financial crisis and include asset purchase programs and long-term refinancing operations. The findings show that liquidity supply in European bond market declines during periods of financial stress and uncertainty. Moreover, expansive monetary policies and asset purchases can be associated with an improvement in market liquidity. Project sponsors in Europe are facing more and more difficulty when acquiring conventional long-term bank loans for infrastructure projects. The regulatory landscape for debt markets will evolve further with implementation of Basel III requirements. Recently, the Asset Quality Review under the European Central Bank's Comprehensive Assessment process, and related pressures on banks' balance sheets, have constrained bank long-term lending. This has led to much discussion on non-conventional bank funding options for infrastructure deals in the future. This book analyses the project bond financing solution in detail, identifying all the specific features that make it highly suitable for large capital intensive infrastructure projects. The first part of the book assesses the main characteristics and prerequisites of project finance, including public-private partnership, infrastructure project assets and greenfield versus brownfield projects. It then discusses the European infrastructure project finance market in detail, before comparing bank conventional lending versus the project bond solution. In the final part of the book, the author presents the Europe 2020 project bond initiative, and reveals a range of key case studies and their findings. International debt investors increasingly demand assets that are aligned with environmental, social and governance objectives. Sovereign debt is being belatedly swept up in this change. This huge asset class represents a uniquely long-term claim and funds a wide range of public expenditure, both brown and green. Public capital expenditures will be a central part of the roughly €3 trillion investment budget needed to pay for the European Green Deal. European Union countries have so far met investor appetite for climate-aligned assets through sovereign green bonds, the issuance of which has rapidly grown since 2017. The EU itself will also issue green bonds in large volumes. However, because of some inherent flaws in such instruments and as their still-weak frameworks, these bonds are unlikely to meet the environmental criteria demanded by investors, and will complicate established principles in

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sovereign debt management. Much more comprehensive information is needed on the climate related aspects of the public budgets of EU countries. Greater transparency in this respect would support stability and improve the functioning of capital markets, given that sovereign debt plays a pivotal role in all investor portfolios and also in regulatory and monetary policy. Adoption by sovereign issuers of green budgeting principles, based on a common taxonomy of sustainable activities, would enhance transparency. It could also be driven by investors who, under new EU rules, must disclose the climate-related aspects of all financial instruments offered in the capital market. Drawing upon the detailed knowledge and expertise of the leading members of Europe's most important financial institutions, this country-by-country overview provides unparalleled insight into the European debt markets. This complete guide updates all of the opportunities these fixed income instruments afford and the unique characteristics of bond markets in 19 European countries. The scope of this book is truly all-inclusive and its detail exhaustive. Topics include market composition by sector, maturity and coupon; types of securities available; methods of issuance and trading; taxation; interest rate history; and intermarket spreads. In this book, former Greek Prime Minister Costas Simitis examines the European debt crisis with particular reference to the case of Greece. Greece was the first Eurozone country to face an enormous deficit, which reached 15% of GDP in 2009. As the Greek crisis unfolded, other Eurozone countries displayed identical symptoms, albeit in varying degrees of severity. From a strictly Greek predicament the debt crisis quickly turned into a problem for the European Union as a whole. This first English language translation investigates the causes of this spillover and chronicles the policy responses to combat it. It also discusses Greece’s troubled political economy, the country’s difficulties in adjusting to the demands of its creditors and the vehement social and political reactions to the policy of austerity. Through his comprehensive and authoritative analysis, Simitis provides valuable insights into the crucial interconnection between Greece’s own economic troubles and the wider European search for macroeconomic stability and sustainable economic growth. As such, the book appeals well beyond those with a narrow academic interest in Greece. This is very much a discussion about the future of the Eurozone and the European Union as a whole. This paper examines the spillover effects of sovereign rating news on European financial markets during the period 2007-2010. Our main finding is that sovereign rating downgrades have statistically and economically significant spillover effects both across countries and financial markets. The sign and magnitude of the spillover effects depend both on the type of announcements, the source country experiencing the downgrade and the rating agency from which the announcements originates. However, we also find evidence that downgrades to near speculative grade ratings for relatively large economies such as Greece have a systematic spillover effects across Euro zone countries. Rating-based triggers used in banking regulation, CDS contracts, and investment mandates may help explain these results. Three years into the euro area sovereign debt crisis, investors continue to shun periphery government bonds, European banks are under severe funding pressures in both the dollar and euro private term markets, and the euro area is facing an anemic growth outlook. On the face of it, the scenario portends gloom. But upon closer examination of the inner workings of the European Union (EU) governance system, the ongoing adjustment in the banking sector, and the rewiring of the landscape of Euro sovereign debt markets, the future scenario looks more balanced, particularly following the conclusion of the protracted negotiations on Greek bond exchanges under an EU-backed voluntary private sector involvement (PSI) scheme. As euro area leaders formulate significant structural reforms to deal with the continent's longstanding fiscal and governance shortcomings, this note argues that striking a balance between market discipline and centralized rule-making is the best way forward. This edition of this popular resource continues to be the leading reference work on the European debt markets. The book contains new sections & new coverage of Israel & the new generation of markets in Eastern Europe, including Hungary, the Czech Republic, Slovakia, Bulgaria, & Russia. In addition to its user-friendly country-by-country format, a special chapter about bond mechanics helps readers understand settlement & yield calculation, allowing comparisons to be made between different markets. A well-rounded guide for those interested in European financial markets With the advent of the euro and formation of the European Union, financial markets on this continent are slowly beginning to gain momentum. Individuals searching for information on these markets have come up empty-until now. The Handbook of European Fixed Income Markets is the first book written on this burgeoning market. It contains extensive, in-depth coverage of every aspect of the current European fixed income markets and their derivatives. This comprehensive resource includes both a qualitative approach to products, conventions, and institutions as well as quantitative coverage of valuation and analysis of each instrument. The Handbook of European Fixed Income Markets introduces readers to developed markets such as the U.K., France, Germany, Italy, Spain, and Holland, as well as emerging markets in Eastern Europe. Government and corporate bond market instruments and institutions are also discussed. U.S.-based investors, researchers, and academics as well as students and financial professionals in other parts of the world will all turn to this book for complete and accurate information on European financial instruments and markets. Frank J. Fabozzi (New Hope, PA) is a financial consultant, the Editor of the Journal of Portfolio Management, and Adjunct Professor of Finance at Yale University's School of Management. Moorad Choudhry (Surrey, UK) is a Vice President with JPMorgan Chase structured finances services in London. The objective of this paper is to review and critically analyze the situation of different euro area member states (Portugal, Ireland, Greece and Spain), commonly referred to as PIGS, the different proposals put forward and ultimately develop and structure a tailored proposal as how to cope with the crisis. Additional analysis will concentrate on the way and the timing the German government reacted to the crisis. A concise conclusion sums up the crucial points of this paper and also gives an outlook, respectively a prognosis, of the future based on decisions taken or agreed to be taken. This paper focuses on developments in the European Economic and Monetary Union sovereign debt markets in the past decade. The first part analyzes the integration and segmentation structure of the bond markets of the Economic and Monetary Union before and after the sovereign debt crisis, by introducing the novel concept of correlation-based stable networks. Accordingly, a fair integration is observed between the bond markets during the pre-crisis period. However, a strict segmentation emerges, separating the members struggling with debt problems and the ones with relatively strong fiscal performances during the sovereign debt turmoil. The segmentation structure is clearly visualized, revealing the potential paths for crisis and recovery transmission in the future. In the second part, the paper comments on the recent decreasing trend in Economic and Monetary Union member bond yields and their increasing degree of co-movement. Accordingly, the paper argues that these changes do not depend on the fiscal performances of the member countries, but depend on the illusion of quality that appeared with the Fed (U.S. Federal Reserve) tapering signals in early 2013. The European debt crisis has posed a challenge for many people to understand, both non-Europeans and Europeans alike. Even economists, finance specialists and market commentators are often uncertain of its causes or in the interpretation of events ongoing, or of past events that have taken place that then shaped the current situation. Typically this lack of understanding results from a lack of understanding of how European institutions work, the structure of European politics and the Eurozone, the economics of the financial system, or the relationship of debt markets to current government policies in the EU. The purpose of this book is to describe the causes and outcomes of the European debt crisis (to the date of publication) within the context of three questions most often asked about the debt crisis: (i) what happened? (ii) why did it happen? and (iii) why has the crisis been so difficult for policy-makers to address? The book attempts to answer these questions in a straightforward, scholarly and thoughtful fashion, thereby developing a wider understanding of the crisis in its entirety for the reader. The book is by no means meant to be an exhaustive treatment on any of the issues it discusses. But the approach taken should be useful for those people who wish to better understand the events of the European financial crisis over the past three years but who do not need to acquire an exhaustive background in European institutions, debt markets, history and economic policy-making. For that reason the proposed book would have appeal to undergraduate students in business, economics, politics or interdisciplinary studies looking for an approachable yet detailed overview of the crisis, for graduate classes seeking similar goals and lay-people or professionals interested generally in the topic and/or with a need to acquire a basic understanding of the topic. Further, the book could serve as an introduction in courses or settings that lead to deeper discussion of the economic, political, and financial issues it presents. Motivated by the recent European debt crisis, this paper investigates the scope for a bailout guarantee in a sovereign debt crisis. Defaults may arise from negative income shocks, government impatience or a "sunspot"-coordinated buyers strike. We introduce a bailout agency, and characterize the minimal actuarially fair intervention that guarantees the no-buyers-strike fundamental equilibrium, relying on the market for residual financing. The intervention makes it cheaper for governments to borrow, inducing them borrow more, leaving default probabilities possibly rather unchanged. The maximal backstop will be pulled precisely when fundamentals worsen. Studienarbeit aus dem Jahr 2020 im Fachbereich BWL - Bank, Börse, Versicherung, Note: 1,0, FOM Essen, Hochschule für Oekonomie & Management gemeinnützige GmbH, Hochschulleitung Essen früher Fachhochschule, Sprache: Deutsch, Abstract: This paper is about the European Central Bank Monetary Policy and the View of the Sovereign Debt Crisis. „Whatever it takes“– three simple but effective words had the desired effect and calmed the government bond markets in the summer of 2012, whose developments in the wake of the European sovereign debt crisis had led to immense financing difficulties for some member states of the euro area. Even more, the statement by Mario Draghi, then president of the European Central Bank (ECB), underlined the determination with which the ECB is willing to prevent a possible break up of the euro area. The measures taken by the ECB have included interest rate cuts, negative interest rates and purchase programmes of various assets. However, the ECB's measures did not meet with the exclusive approval of experts, they sometimes caused harsh public criticism and even the judiciary, in form of the Bundesverfassungsgericht (German Federal Constitutional Court) and the European Court of Justice (ECJ), had to address the issue. Against this background, this assignment aims to examine whether the monetary policy of the ECB infringes Article 123 (1) Treaty on the Functioning of the European Union (TFEU) which states the prohibition on monetary financing of member state budgets. To begin with, the origins of the European sovereign debt crisis are explained. The paper then outlines selected non-standard monetary policy measures taken by the ECB to mitigate the effects of the crisis, in form of Outright Money Transactions (OMTs) and the Public Sector Purchase Programme (PSPP). The fourth chapter focuses on the PSPP and analyses the programme against the background of Article 123(1) TFEU.

Everything finance professionals need to know about Europe's sovereign debt crisis Europe's debt crisis continues unabated, resulting in steep borrowing costs, loss of access to capital markets, and unprecedented sovereign debt restructuring. Banking systems are suffering through deteriorating loan books, deposit outflows, and a loss of medium-term funding. The EU and European Central Bank have responded with massive bailout programs, but financial markets remain wary of the long-term prospects for Europe, particularly as the possibility of peripheral countries leaving the Eurozone increases. The European Debt Crisis and the Future of the Eurozone presents unique insider perspectives on the crisis with informed insight from key players in the ECB, major European governments, and ratings agencies, as well as leading bankers and market analysts. The book details the root causes of the crisis, including excessive leverage and large deficits, before exploring the role of credit ratings and credit default swaps in sustaining the crisis. It looks at what can be done to ensure liquidity for governments and banks and offers advice for investors on what to do if they become insolvent. It explains the reforms needed to put Europe's banks and governments on a stable long-term footing and what those reforms will mean for investors and finance and banking professionals. Includes a clear and compelling explanation of the sovereign debt crisis and what can be done to fix Europe's ailing banks and governments Enables readers to understand both how banking problems can overwhelm governments and how government debt problems can undermine local banking systems Written by a financial consultant with more than 25 years of experience working in sovereign debt, economic and financial research, and capital markets Europe's debt crisis and the reforms needed to solve it will have a major impact on financial and banking decisions for years to come. The European Debt Crisis and the Future of the Eurozone gives bankers and investors the information they need to successfully navigate the EU's shifting financial landscape.

The introduction of the euro in 1999 cast a new focus on the financial markets of constituent euro-zone countries, which have subsequently emerged with the second largest bond market in the world. This new book offers in depth insights and advice for any practitioner in the European fixed-income and ancillary derivative markets, and includes in-depth analysis of euro and non-euro markets as well as emerging countries. We empirically investigate whether the transmission of the recent crisis in euro area sovereign debt markets was due to fundamentals-based or pure contagion. To do so, we examine the behaviour of EMU sovereign bond yield spreads with respect to the German bund for a sample of both central and peripheral countries from January 1999 to December 2012. First we apply a dynamic approach to analyse the evolution of the degree of Granger-causality within the 90 pairs of sovereign bond yield spreads in our sample, in order to detect episodes of significantly increased causality between them (which we associate with contagion) and episodes of significantly reduced interconnection (which we associate with immunisation). We then use an ordered logit model to assess the determinants of the occurrence of the episodes detected. Our results suggest the importance of variables proxying market sentiment and of variables proxying macrofundamentals in determining contagion and immunisation outcomes. Therefore, our findings underline the coexistence of “pure” and “fundamentals-based contagion” during the recent European debt crisis. The first comprehensive account of the European structured financial products market This comprehensive survey of the securitization market in Europe covers all asset-backed securities (the major classes and some nonconventional asset classes that have been securitized), residential and commercial mortgage-backed securities, collateralized debt obligations, and more. Frank J. Fabozzi, PhD, CFA, CPA (New Hope, PA), is the Frederick Frank Adjunct Professor of Finance in the School of Management at Yale University. Prior to joining the Yale faculty, he was a

Visiting Professor of Finance in the Sloan School at MIT. Moorad Choudhry (Surrey, UK) is a Vice President in Structured Finance Services with JPMorgan Chase Bank. We take advantage of the historical onetime event of the European sovereign debt crisis and investigate the impact of European sovereign downgrades and negative watches on the European government bond and stock market including the partial default of Greece in March 2012. Results are based on an unprecedented large sample of 159 rating events on industrial countries covering 10 years of data from 2002 to 2012. While European government bond and stock markets react significantly negative upon bad rating news, it is especially government bonds with longer times to maturity that suffer the most. This implies that the current European sovereign debt crisis is considered a long term crisis. Analyzing each country separately, we find no reaction on the respective government bond markets for any country, but significantly negative effects on the national stock indices of Greece, Portugal, Spain, and Slovenia. The partial default of Greece does not create negative spillover effects on bond and stock markets of the whole Eurozone or the group of troubled southern economies, but rather positive spillover effects on the northern European countries. This book offers an interdisciplinary overview of the role of law in modern capitalism in the context of financial crisis. In this work, the reader will find a discussion of key issues relevant to the crisis that have occupied the pages of the financial press since 2007 including an assessment of the meltdown of the sub-prime mortgage market, the credit crunch, the European debt crisis and the turmoil in Greece, plus a series of theoretical contributions that are aimed to challenge perceptions of the market-state relationship and the place of law within it. The book includes a methodological defence of the state-market dichotomy, a critique of the tenets of neoclassical economics, and an evaluation of what the financial crisis heralds for the future of the political economy of western democracies. Ioannis Glinavos argues that it is a mistake to associate markets with freedom and states with oppression, and suggests that more choice for consumers can -and does- mean less choice for citizens. The book suggests that a new social contract is needed to ensure the survival of both capitalism and democracy. In contributing a unique, legal perspective to the underlying dynamics of the financial crisis, this book will be valuable to scholars and students of regulation, financial markets and economic development. This paper presents an overview of the impact of the introduction of the euro on Europe's financial structure. It analyses changes in money markets, bond markets, equity markets and foreign exchange markets. The euro's role in originating or catalysing trends has been uneven across the spectrum of financial markets. On the lender side, banks and investors in fixed income markets have become more focused on the characteristics of individual borrowers rather than the nationality of the issuer and have built up expertise to evaluate credit risk. European equity markets have also been affected by the enhanced ability of investors to build strategies with a pan-European perspective as prices increasingly reflected risk factors specific to industrial sectors rather than individual countries. On the borrower side, EMU has increased the attractiveness of market-based financing methods by allowing debt issuers to tap institutional portfolios across the euro area. Lower barriers to cross-border financial transactions have also increased the contestability of the market for financial services, be it at the wholesale or the retail level. The introduction of the euro has also highlighted the shortcomings of existing institutional structures and areas where excessive focus on narrowly defined interests may stand in the way of realising the full potential benefits from the new environment. Diverging legal and institutional infrastructures and market practices can impede further financial market development and deepening. Hence, the euro has put a premium on cooperation between national authorities and institution as a means of achieving a more harmonised financial environment. The impact of EMU on depth in foreign exchange markets has been less clear-cut, as volatility, spreads, trading volumes and liquidity appear not to have changed in a substantial way. European sovereign debt markets have been under scrutiny ever since the sovereign debt crisis of 2009. In this paper, we decompose bond and CDS spreads into fundamental and non-fundamental parts by means of a heterogeneous agent model. The model contains arbitrageurs who make use of the arbitrage opportunities between bond and CDS markets, speculators who trade on price trends, as well as liquidity traders. We find that bond markets are driven for 80% by liquidity trading, 13% by credit news, and only 5.4% by speculation. The CDS market is for 49% driven by credit news, 45% liquidity trading, and 5.5% speculation. The relative importance of the different types of agents varies over time, though. This paper identifies factors that contributed to the development and effectiveness of debt securities markets in the major advanced economies. Government securities markets have benefited from their international orientation—debt management is most effective when it is independent of monetary and exchange rate policies; and financial infrastructures should be patterned on the standards of liquidity, transparency, issuing and trading efficiency, and tax treatment. The same degree of consensus does not exist for corporate debt securities markets. The paper identifies six regulatory and market-created factors that help explain why the U.S. corporate debt market has flourished, while corporate debt securities markets elsewhere have only recently begun to develop. The coming financial apocalypse and what government and individuals can do to insulate themselves against the worst shocks In this controversial book a noted adherent of Austrian School of Economics theories advances the thesis that the United States is fast approaching the end stage of the biggest asset bubble in history. He describes how the bursting of the bubble will cause a massive interest rate shock that will send the US consumer economy and the US government—pumped up by massive Treasury debt—into bankruptcy, an event that will send shockwaves throughout the global economy. Michael Pento examines how policies followed by both the Federal Reserve and private industry have contributed to the impending interest rate disaster and highlights the similarities between the US and European debt crisis. But the book isn't all doom and gloom. Pento also provides well-reasoned solutions that, government, industry and individuals can take to insulate themselves against the coming crisis. Paints an alarmingly vivid picture of the massive interest rate shock which soon will send consumers and the government into bankruptcy Backed by a wealth of historical and economic data, Pento explains how the bubble was created and what the U.S. can do to mitigate the impending crisis Provides investors with sound strategies for protecting themselves and their assets against the coming financial apocalypse Explains why retirees, in particular, will be at risk as real estate prices decline, pensions weaken, and the bond bubble bursts This paper analyzes financial contagion in European sovereign bond markets. It highlights the relationship between market integration and contagion and demonstrates that the disintegration of the Eurozone sovereign debt markets was a necessary condition for contagion. An analysis of extreme systemic shocks shows that contagion in the Eurozone debt crisis was not as frequent as often reported as it identifies only one major incidence of contagion that affected five periphery Eurozone countries in May 2010 coinciding with flight to quality from the periphery to the core and the 2010 “flash crash” in US equity markets. The findings demonstrate that extreme systemic shocks provide important additional information to correlation-based tests and show that there was no contagion to the core as feared by policymakers but the exact opposite of contagion - flight to quality. Assessing regulatory measures taken at the EU level that impact European bond markets, this book examines the desirability, utility, and feasibility of certain policy measures. This new book is a detailed discussion of the development of the global debt markets. Examining the developments affecting the internationalization of bond markets and the key drivers of change and their likely impact on the markets beyond 2001. The introduction of the Euro ushered in a rise to dominance of English contract law in European debt securities. Corporate issuers in the Euro zone chose English law significantly more often than a control group of other European countries. The Euro effect on choice of law is particularly strong for debt securities in local markets that, arguably, were most affected by the Euro. The Euro effect is not explained by differences in the suitability of English law compared to other laws, a change in issuer composition or debt securities types, and the greater market share of British and American underwriters. We argue that increased standardization benefits (network effects) from a boost in cross-border investment provide the best account of why English law conquered the European debt securities market.