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Soggetti	Debts, External - Developed countries Country risk - Developed countries Global Financial Crisis, 2008-2009 Banks and Banking Finance: General Financial Risk Management Investments: Bonds Money and Monetary Policy Fiscal Policy Interest Rates: Determination, Term Structure, and Effects Monetary Policy, Central Banking, and the Supply of Money and Credit: General General Financial Markets: General (includes Measurement and Data) Financial Crises Financing Policy Financial Risk and Risk Management Capital and Ownership Structure Value of Firms Goodwill Monetary economics Economic & financial crises & disasters Investment & securities Finance Financial services law & regulation Credit default swap Financial crises Sovereign bonds

Derivative markets
Credit risk
Money
Financial markets
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Financial regulation and supervision
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Nota di contenuto	Cover; Contents; I. Introduction; II. Dynamic Relationships between CDS and RAS Spreads; III. Determinants of CDS and RAS Spreads; IV. Concluding Remarks; Data Appendix; Figures; 1. CDS Gross Notional Outstanding Amounts as a Share of Total Public Debt: Selected Countries over the Period 2008-11; 2. CDS and RAS Spread Developments; 3. Expected one year ahead Primary Deficit and CDS/RAS Spreads - Large Advanced Economies; 4. Expected one year ahead Primary Deficit and CDS/RAS Spreads - Selected; Tables; 1. Panel and Individual Unit Root Test Results on the Basis (CDS-RAS) 2. Individual Cointegration Test and Error-correction Model Estimation Results for CDS and RAS Spreads 3. CDS Spreads Regressions; 4. RAS Spreads Regressions; 5. CDS Spreads Regressions - Country Breakdown; 6. RAS Spreads Regressions--Country Breakdown; References
Sommario/riassunto	We investigate the pricing of sovereign credit risk over the period 2008-2010 for selected advanced economies by examining two widely-used indicators: sovereign credit default swap (CDS) and relative asset swap (RAS) spreads. Cointegration analysis suggests the existence of an imperfect market arbitrage relationship between the cash (RAS) and the derivatives (CDS) markets, with price discovery taking place in the latter. Likewise, panel regressions aimed at uncovering the fundamental drivers of the two indicators show that the CDS market, although less liquid, has provided a better signal for sovereign credit risk during the period of the recent financial crisis.