

1. Record Nr.	UNINA9910961914803321
Autore	Milesi-Ferretti Gian
Titolo	Fundamentals at Odds? The U.S. Current Account Deficit and The Dollar // Gian Milesi-Ferretti
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2008
ISBN	9786612842115 9781462336616 1462336612 9781452706696 1452706697 9781451871180 145187118X 9781282842113 1282842110
Edizione	[1st ed.]
Descrizione fisica	1 online resource (31 p.)
Collana	IMF Working Papers IMF working paper ; ; WP/08/260
Disciplina	332.450973
Soggetti	Foreign exchange rates - United States Balance of payments - United States Budget deficits - United States Dollar, American Balance of payments Balance of trade Currency Current Account Adjustment Current account balance Current account deficits Empirical Studies of Trade Exports and Imports External position Foreign Exchange Foreign exchange International economics International finance International Investment Long-term Capital Movements Real effective exchange rates Short-term Capital Movements

	Trade balance United States
Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Description based upon print version of record.
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	<p>Contents; I. Introduction; II. The Current Account Balance and The International Investment Position; III. Some stylized Facts on the dollar and the U.S. current account; A. Two Dollar Cycle Episodes; B. A Comparison Between 2 Adjustment Episodes; IV. Reconciling Prices and Quantities; A. Is the REER Mismeasured? The WARP Argument; B. Is The U.S. Current Account Deficit Overstated?; C. Adjustment Lags; D. The Terms of Trade and Oil Prices; E. External Adjustment and Shift in Relative Prices; V. Conclusions; Tables; 1. Historical Patterns of U.S. Dollar Real Depreciations (1973-2008)</p> <p>2. Historical Patterns of U.S. Dollar Nominal Depreciations (1976-2008)</p> <p>3. The U.S. Current Account Balance and Oil Prices during the Adjustment Episodes; 4. Cumulative Financial Flows and Changes in the U.S. International Investment Position; Figures; 1. Real Effective Exchange Rate, January 1973-September 2008; 2. Current Account Balance and Non-Oil Balance on Goods and Services (ratio of GDP, 1970Q1-2008Q2); 3. Real Effective Exchange Rate and ""WARP"" Index; 4. Lagged ""WARP"" Index and Non-Oil Balance of Goods and Services</p> <p>5. Non-Oil Trade Balance and Real Exchange Rate: Cross-Correlation (1978Q1-2008Q2)</p> <p>6. Terms of Trade and Oil Prices, 1973-2008; References</p>
Sommario/riassunto	<p>The real effective exchange rate of the dollar is close to its minimum level for the past 4 decades (as of September 2008). At the same time, however, the U.S. trade and current account deficits remain large and, absent a significant correction in coming years, would contribute to a further accumulation of U.S. external liabilities. The paper discusses the tension between these two aspects of the dollar assessment, and what factors can help reconcile them. It focuses in particular on the terms of trade, adjustment lags, and measurement issues related to both the real effective exchange rate and the current account balance.</p>