

1. Record Nr.	UNINA9910970757003321
Titolo	Foreign Reserve Adequacy in Sub-Saharan Africa
Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2008
ISBN	9786612841019 9781462351763 146235176X 9781452734958 145273495X 9781282841017 1282841017 9781451870084 1451870086
Edizione	[1st ed.]
Descrizione fisica	1 online resource (38 p.)
Collana	IMF Working Papers IMF working paper ; ; WP/08/150
Disciplina	332.410967
Soggetti	Foreign exchange - Africa, Sub-Saharan - Econometric models Bank reserves - Africa, Sub-Saharan - Econometric models Foreign exchange - Econometric models Bank reserves - Econometric models Aid flows Balance of trade Banking Banks and Banking Consumption Economic assistance Economic policy Economics Empirical Studies of Trade Exports and Imports Foreign Aid Foreign exchange reserves International economics International reserves Macroeconomics Macroeconomics: Consumption Monetary Policy Nternational cooperation

Saving	
Terms of trade	
Trade balance	
Wealth	
Congo, Democratic Republic of the	
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. Foreign Reserves in sub-Saharan Africa; Figures; 1. Reserves in Months of Imports; Tables; 1. Comparisons of International Reserves Across Regions, 1995-07; III. Shocks Facing Sub-Saharan Africa; 3. Reserves to Short-Term Debt <2, 2007; 4. Frequency Distributions of Key Parameters; 5. Frequency Distributions of Key Parameters; 6. Response of Key Macro Economic Variables to a Large TOT Shock; 7. Response of Key Macroeconomic Variables to a Large Aid Shock; IV. Small Open Economy with Two Goods; V. Simulation Results</p> <p>8. Optimal Reserve Behavior - Jeanne-Ranciere v.s. Two-Good9. Path of Consumption-Ranciere vs. Two-Good Model; 10. Optimal Reserve Behavior-Two Good Model with both TOT and Aid Shock [I]; 11. Optimal Reserve Behavior-Two Good Model with both TOT and Aid Shock [II]; 12. Actual Level of Reserves to GDP ratio for SSA countries; 13. Sensitivity of Optimal Reserves to Key Parameters; 14. Sensitivity of Optimal Reserves to Key Parameters; 15. Reserve Adequacy for African Countries Using Two-Good Model /1; VI. Conclusion; 16. Country Specific Application-Illustrative Examples.</p> <p>A1. Benchmark ParametersA2. Simulation Parameters for Countries; References; References</p>
Sommario/riassunto	<p>This paper looks at the question of adequacy of reserves in sub-Saharan African countries in light of the shocks faced by these countries. Literature on optimal reserves so far has not paid attention to the particular shocks facing low-income countries. We use a two-good endowment economy model facing terms of trade and aid shocks to derive the optimal level of reserves by comparing the cost of holding reserves with their benefits as an insurance against a shock. We find that the optimal level of reserves depends upon the size of these shocks, their probability, and the output cost associated with them.,</p>