MAGYAR NEMZETI BANK

Válogatás

az ECB, az EU, az IMF, a BIS és az OECD

dokumentumaiból

2010. augusztus 19. – szeptember 1.

1. MONETÁRIS POLITIKA/INFLÁCIÓ

The economic outlook and monetary policy http://www.bis.org/review/r100830a.pdf Speech by **Mr Ben S Bernanke,** Chairman of the Board of Governors of the Federal Reserve System, at the Federal Reserve Bank of Kansas City Economic Symposium, Jackson Hole, Wyoming, 27 August 2010.	BIS Central Banker Article
Re-examining Canada's monetary policy framework - recent research and outstanding issues http://www.bis.org/review/r100830e.pdf Remarks by **Mr John Murray,** Deputy Governor of the Bank of Canada, at the Canadian Association for Business Economics, Kingston, Ontario, 24 August 2010.	BIS Central Banker Article
Keeping inflation anchored http://www.bis.org/review/r100823b.pdf News release and speech by **Dr Alan Bollard**, Governor of the Reserve Bank of New Zealand, to the Taranaki Chamber of Commerce, New Plymouth, 19 August 2010.	BIS Central Banker Article
Global and local economic trends and challenges for the Bank of Korea's moretary policy http://www.bis.org/review/r100823a.pdf Speech by **Mr Choongsoo Kim**, Governor of the Bank of Korea, at the Seoul Financial Forum, Seoul, 17 August 2010.	BIS Central Banker Speech
Central Bank Communication and Multiple Equilibria, 1 September 2010 http://www.ijcb.org/journal/ijcb10q3a5.pdf In this paper, we construct a simple model for communication between a central bank and money-market traders. It is demonstrated that there are multiple equilibria. In one equilibrium, traders truthfully reveal their own information, and by learning this, the central bank can make better forecasts. Another equilibrium is a "dog-chasing-its-tail" equilibrium described by Blinder (1998). Traders mimic the central bank's forecast, so the central bank simply observes its own forecast from traders. The latter equilibrium is socially worse, as inflation variability becomes larger. As policy implications, we find that too-high transparency of central banks is bad because it yields the "dog-chasing-its-tail" equilibrium, and central banks should conduct continuous monitoring or emphasize that their forecasts are conditional because doing so eliminates the "dog-chasing-its-tail" equilibrium. We also consider the possibility of the existence of an optimal degree of transparency.	BIS/ International Journal of Central Banking Publication
The Sub-Prime Crisis and UK Monetary Policy, 1 September 2010 http://www.ijcb.org/journal/ijcb10q3a4.pdf The "sub-prime" crisis, which led to major turbulence in global financial markets beginning in mid-2007, has posed major challenges for monetary policymakers. We analyze the impact on monetary policy of the widening differential between policy rates and the three-month LIBOR rate, the benchmark for private-sector interest rates. We show that the optimal monetary policy rule should include the determinants of this differential, adding an extra layer of complexity to the problems facing policymakers. Our estimates reveal significant effects of risk and liquidity measures, suggesting that the widening differential between base rates and LIBOR was largely driven by a sharp increase in unsecured lending risk. We calculate that the crisis increased LIBOR by up to 60 basis points; in response, base rates fell further and more quickly than would otherwise have happened as policymakers sought to offset some of the contractionary effects of the sub-prime crisis.	BIS/ International Journal of Central Banking Publication

Communication, Decision Making, and the Optimal Degree of Transparency of Monetary Policy Committees, 1 September 2010 http://www.ijcb.org/journal/ijcb10q3a1.pdf This paper develops a theoretical model of a monetary policy committee with heterogeneous members whose decisions and public communications are observed by the financial markets. It thereby provides a link between the literatures on monetary policy committees and central bank communication. The results show that transparency about the different views among committee members surrounding the economic outlook is beneficial. However, communicating the diversity of views about the monetary policy decision may not be welfare enhancing, at least in the short term. These results support previous empirical findings and have strong implications for how committees should communicate.	BIS/ International Journal of Central Banking Publication
The Impact of Banks' Cumulative Reserve Position on Federal Funds Rate Behavior, 1 September 2010 http://www.ijcb.org/journal/ijcb10q3a3.pdf We analyze the impact that reserve levels accumulated through the preceding day in a reserve maintenance period have on the level of the federal funds rate each morning prior to when open-market operations are arranged. Our empirical results and other evidence provided about intraday patterns of the federal funds rate demonstrate that the pace at which reserves are supplied over a maintenance period to meet banks' total reserve requirements is an important determinant of federal funds rate behavior.	BIS/ International Journal of Central Banking Publication
Estimation of Monetary Policy Preferences in a Forward-Looking Model: A Bayesian Approach, 1 September 2010 http://www.ijcb.org/journal/ijcb10q3a6.pdf In this paper we adopt a Bayesian approach toward the estimation of monetary policy preference parameters in a general equilibrium framework for the euro area. We assume that monetary policy authorities optimize an intertemporal quadratic loss function under commitment and study two alternative specifications of the loss function. The first specification includes inflation, output gap, and the interest rate differential as targets. The second loss function includes an additional wage-inflation target. The weights assigned to target variables - i.e., monetary policy preferences - are estimated jointly with the structural model parameters. The results imply that inflation variability remains the main concern of optimal monetary policy. Interest rate smoothing and the output gap appear to be, to a lesser extent, important target variables as well. Due to the time-inconsistency problem under commitment, we propose to initialize the estimates by a presample period of forty quarters. This allows us to approach, empirically, the timeless-perspective framework.	BIS/ International Journal of Central Banking Publication
Bank of England Interest Rate Announcements and the Foreign Exchange Market, 1 September 2010 http://www.ijcb.org/journal/ijcb10q3a7.pdf Since 1997, the Bank of England Monetary Policy Committee (MPC) has met monthly to set the UK policy interest rate. Using a Markov-switching framework that incorporates endogenous transition probabilities, we examine intraday, five-minute return data for evidence of systematic patterns in exchange rate movements on MPC policy announcement days. We find evidence for non-linear regime switching between a high-volatility, informed trading state and a low volatility, liquidity trading state. MPC surprise announcements are shown to significantly affect the probability that the market enters and remains within the informed trading regime, with some limited evidence of market positioning just prior to the announcement.	BIS/ International Journal of Central Banking Publication

2. PÉNZÜGYI STABILITÁS/PÉNZÜGYI PIACOK

Reconsidering the International Monetary System http://www.imf.org/external/np/speeches/2010/082810.htm Panel Presentation by **John Lipsky**, First Deputy Managing Director, International Monetary Fund at the Federal Reserve Bank of Kansas City's Economic Policy Symposium "Macroeconomic Challenges: The Decade Ahead,"August 28, 2010	IMF Speech
Commission urges insurance companies to participate in the Solvency II Quantitative Impact Study (QIS5), 23/08/2010 http://europa.eu/rapid/pressReleasesAction.do?reference=IP/10/1064&format=HTML&aged=0&language=EN&guiLanguage=en	EU Press Release
IMF Enhances Crisis Prevention Toolkit, August 30, 2010 http://www.imf.org/external/np/sec/pr/2010/pr10321.htm	IMF Press Release
Can Global Liquidity Forecast Asset Prices?, August 25, 2010 http://www.imf.org/external/pubs/ft/wp/2010/wp10196.pdf During the period leading up to the global financial crisis many asset classes registered rapid price increases. This coincided with a significant rise in global liquidity. This paper attempts to determine the extent to which the rise in asset prices was influenced by developments in global liquidity. We confirm that global liquidity had a significant impact on the buildup in house prices; however, the impact on equity prices was limited. In contrast to common perception, we find that the impact of global liquidity declined during the period of the Great Moderation. The paper also examines spillovers from global liquidity to domestic variables and concludes that domestic factors generally played a more significant role in house price appreciation relative to global factors. This contradicts the hypothesis of weakened potency of domestic monetary policy in the presence of increased international liquidity.	IMF Working Paper
Triennial Central Bank Survey of Foreign Exchange and Derivatives Market Activity in April 2010 - Preliminary global results - Turnover http://www.bis.org/publ/rpfx10.pdf?noframes=1 In April this year, 53 central banks and monetary authorities participated in the eighth Triennial Central Bank Survey of Foreign Exchange and Derivatives Market Activity. The objective of the survey is to provide the most comprehensive and internationally consistent information on the size and structure of global foreign exchange markets, allowing policymakers and market participants to better monitor patterns of activity in the global financial system. Coordinated by the BIS, participating institutions collect data from some 1,300 reporting dealers on turnover in foreign exchange instruments and OTC interest rate derivatives. The triennial survey has been conducted every three years since April 1989, and has been modified since April 1995 to include OTC interest rate derivatives. Related Press Release http://www.bis.org/press/p100901.htm	BIS Publication + Press Release
Microfinance activities and the Core Principles for Effective Banking Supervision, 30 August 2010 http://www.bis.org/publ/bcbs175.htm The Basel Committee's guidance is intended to point out areas whereby some degree of flexibility in implementing the Basel Core Principles for Effective Banking Supervision to the supervision of microfinance activities is appropriate, in light of the unique characteristics of microfinance vis-à-vis conventional retail banking. With specific references to the need of balancing regulation and supervision with ensuring financial inclusion, the report will assist countries to develop a coherent approach to microfinance supervision that takes account of the need for:	BIS/BCBS Publication + Press Release

1. specialised knowledge of supervisors to effectively identify and measure risks that are specific to microfinance, particularly to microlending; 2. conscious effort to allocate supervisory resources efficiently, especially where depository microfinance does not represent a large portion of the financial system; and 3. balanced regulatory and supervisory framework that does not add significant costs to microfinance activities across different institutional types. Related Press Release: http://www.bis.org/press/p100830.htm	
Proposal to ensure the loss absorbency of regulatory capital at the point of non-viability - consultative document, 19 August 2010 http://www.bis.org/publ/bcbs174.pdf The Basel Committee on Banking Supervision has issued for consultation a proposal to ensure that all regulatory capital instruments are able to absorb losses in the event that the issuing bank reaches the point of non-viability. It is based on a requirement that the contractual terms of capital instruments will allow them at the option of the regulatory authority to be written-off or converted to common shares in the event that a bank is unable to support itself in the private market in the absence of such conversions. The proposal is an important element of finalising the Committee's package of measures to strengthen the resilience of the banking sector, set out in the December 2009 consultative document Strengthening the resilience of the banking sector. Related press release: http://www.bis.org/press/p100819.htm	BIS/BCBS Publication + Press Release

3. KÖLTSÉGVETÉSI POLITIKA

Banks and the budget - lessons from Europe http://www.bis.org/review/r100818a.pdf Address by **Mr Patrick Honohan**, Governor of the Central Bank and Financial Services Authority of Ireland, to Renmin University, Beijing, 17 August 2010.	BIS Central Banker Speech
Commission considers Greece meets the conditions to receive the second instalment of loans by euro area Member States, 19/08/2010 http://europa.eu/rapid/pressReleasesAction.do?reference=IP/10/1059&format=HTML&aged=0&language=EN&guiLanguage=en	EU Press Release
Advanced Economies Need Long-Term Efforts to Tame Public Debt, IMF Studies Find September 1, 2010 http://www.imf.org/external/np/sec/pr/2010/pr10322.htm	IMF Press Release
The impact of high and growing government debt on economic growth: an empirical investigation for the euro area, 23/08/2010 http://www.ecb.int/pub/pdf/scpwps/ecbwp1237.pdf This paper investigates the average impact of government debt on per-capita GDP growth in twelve euro area countries over a period of about 40 years starting in 1970. It finds a non-linear impact of debt on growth with a turning point—beyond which the government debt-to-GDP ratio has a deleterious impact on long-term growth—at about 90-100% of GDP. Confidence intervals for the debt turning point suggest that the negative growth effect of high debt may start already from levels of around 70-80% of GDP, which calls for even more prudent indebtedness policies. At the same time, there is evidence that the annual change of the public debt ratio and the budget deficit-to-GDP ratio are negatively and linearly associated with per-capita GDP	ECB Working Paper

growth. The channels through which government debt (level or change) is found to have an impact on the economic growth rate are: (i) private saving; (ii) public investment; (iii) total factor productivity (TFP) and (iv) sovereign long-term nominal and real interest rates. From a policy perspective, the results provide additional arguments for debt reduction to support longer-term economic growth prospects.	
National fiscal governance reforms across EU Member States. Analysis of the information contained in the 2009-2010 Stability and Convergence Programmes http://ec.europa.eu/economy_finance/publications/occasional_paper/2010/pdf/ocp67_en.pdf Following the invitation contained in the October 2009 Council Conclusions, 21 EU Member States included in their respective 2009‑2010 Stability and Convergence Programmes (SCPs) information related to the reform of domestic fiscal frameworks. However, detailed information on the scope of these measures and/or an implementation calendar was only provided in 10 cases. By type of measure, changes to the existing budgetary procedures were the most frequent policy initiatives and were foreseen by 19 Member States. As for reforms related to numerical fiscal rules, they were envisaged in 13 SCPs, and the amendment of medium‑term budgetary frameworks or the introduction of new frameworks was reported by 10 countries. Policy initiatives in relation to independent institutions were limited to 3 Member States. In spite of the significant number of recent or announced reforms of domestic fiscal frameworks, compliance in relation to the previous year's policy invitations is rather limited (i.e. policy invitations by the Council in the context of the 2008 2009 SCPs). Only in 7 cases measures contained in the 2009 2010 SCPs follow (at least partly) last year's invitations. Finally, the Macro Financial Assessments of the programmes were somewhat mixed with respect the measures included in the SCPs of 11 Member States. By contrast, the evaluation of the recently implemented or envisaged measures is rather positive in other 11 EU countries. However, the Commission considers that supplementary policy initiatives would be needed with a view to effectively strengthening fiscal governance. Finally, only in 5 Member States, the existing frameworks do not seem to present major weaknesses.	EU Occasional Paper
External Imbalances and Public Finances in the EU http://ec.europa.eu/economy_finance/publications/occasional_paper/2010/pdf/ocp66_en.pdf The global financial crisis induced a sharp deterioration in EU countries' public finances with government deficits and debt reaching levels unprecedented in recent times. Importantly, this crisis has also brought attention the fact that the countries that have experienced the sharpest deterioration in their public finances were also those where current account deteriorated most during the decade preceding the crisis. The issues remain wide open regarding the nature and consequences of the linkages between external imbalances and public finances in the EU. As evidenced by this crisis, in absence of nominal exchange rate adjustment, business cycle evolutions may be amplified in countries with structural competitiveness problems and buoyant domestic demand. Three years after the start of the global financial crisis a number of EU countries face the dual challenge of restoring competitiveness and to reduce their public deficits. Both objectives may weigh on the incipient economic recovery, however. Policy choices will need to be made calling for further analysis. This Occasional paper brings together recent contributions by leading academics analysing the link between external imbalances and public finances in the EU. These contributions show in particular that the build-up of external imbalances in the EU and the euro area during the decade preceding the financial crisis may have signalled contingent budgetary risks through a number of macroeconomic and microeconomic channels. In addition, this Occasional Paper provides recent research carried out by the Directorate General for Economic and Financial Affairs regarding the challenges posed by external imbalances for the success of fiscal consolidations plans to be implemented in the coming years, drawing on past experiences for EU countries and a sample of OECD countries.	EU Occasional Paper
Long-Term Trends in Public Finances in the G-7 Economies, September 1, 2010 http://www.imf.org/external/pubs/ft/spn/2010/spn1013.pdf	IMF Staff Position Note

Today's record public debt levels in most advanced economies are not only a direct fall-out from the global crisis. Public debt had ratcheted up over many decades before, when it had been used, in most of the G-7 countries, as the ultimate shock absorber—rising in bad times but not declining much in good times. Alongside, primary spending increased, particularly during 1965–85, reflecting predominantly a surge in health care and pension spending. Looking ahead, advanced economies will face the formidable challenge of reducing debt ratios at a time when ageing-related spending, in particular often underestimated pressures from health care systems, will put additional pressure on public finances. Addressing these fiscal challenges will require growth-friendly structural reforms, a fiscal strategy involving gradual but steady fiscal adjustment, stronger fiscal institutions, expenditure and revenue reforms, and an appropriate degree of burden sharing across all stakeholders.	
Default in Today's Advanced Economies: Unnecessary, Undesirable, and Unlikely, September 1, 2010 http://www.imf.org/external/pubs/ft/spn/2010/spn1012.pdf In our view, the risk of debt restructuring is currently significantly overestimated. Although it is generally wise to assume that market developments reflect economic fundamentals, market overreaction does occur from time to time, with adverse implications for countries' borrowing costs and debt dynamics. To place recent sovereign bond market developments in context, the present note reviews macro-fiscal factors underlying government debt dynamics in the top ten advanced economies ranked by needed fiscal adjustment in the illustrative scenario presented in the May 2010 Fiscal Monitor (IMF, 2010): France, Greece, Ireland, Italy, Japan, Netherlands, Portugal, Spain, United Kingdom, and United States. This note summarizes the main arguments put forward by some market commentators who argue that default is inevitable, and presents a rebuttal for each argument in turn. Their main arguments focus on the size of the adjustment and continued market concerns reflected in government bond spreads. The essence of our reasoning is that the challenge stems mainly from the advanced economies' large primary deficits, not from a high average interest rate on debt. Thus, default would not significantly reduce the need for major fiscal adjustment. In contrast, the economies that defaulted in recent decades did so primarily as a result of high debt servicing costs, often in the context of major external shocks. We conclude that default would not be in the interest of the citizens of the countries in question. Fiscal adjustment supported by reforms that enhance economic growth is a more effective response.	IMF Staff Position Note
Fiscal Space, September 1, 2010 http://www.imf.org/external/pubs/ft/spn/2010/spn1011.pdf In this note, we reexamine the issue of debt sustainability in a large group of advanced economies. Our hypothesis is that, when debt is in a moderate range, its dynamics are sustainable in the sense that increases in debt elicit sufficient increases in primary fiscal balances to stabilize the debt-to-GDP ratio. At high debt levels, however, the dynamics may turn unstable, and the debt ratio may not converge to a finite level. Such a framework allows us to define a "debt limit" that is consistent with the country's historical track record of adjustment in the sense that, without an extraordinary fiscal effort, any debt increment beyond this limit would cause debt to increase without bound. It bears emphasizing that this debt limit is not an absolute and immutable barrier, but it does define a critical point above which the country's historical fiscal response to rising debt becomes insufficient to maintain debt sustainability. Nor should the limit be interpreted as being the optimal level of public debt. Indeed, since the limit delineates the point at which fiscal solvency is called into question—and the analysis abstracts entirely from liquidity/rollover risk—prudence dictates that countries target a debt level well below the limit. Given the country's normal pattern of adjustment, fiscal space is then simply the difference between the debt limit and current debt.	IMF Staff Position Note
The Dynamic Effects of Commodity Prices on Fiscal Performance in Latin America, August 19, 2010 http://www.imf.org/external/pubs/ft/wp/2010/wp10192.pdf	IMF Working Paper

The recent boom and bust in commodity prices has raised concerns about the impact of volatile commodity prices on Latin American countries' fiscal positions. Using a novel quarterly data set-which includes unique country-specific commodity price indices and a comprehensive measure of public expenditures-this paper analyzes the dynamic effects of commodity price fluctuations on fiscal revenues and expenditures for eight commodity-exporting Latin American countries. The results indicate that Latin American countries' fiscal positions react strongly to shocks to commodity prices, yet there are marked differences across countries. Fiscal variables in Venezuela display the highest sensitivity to commodity price shocks, with expenditures reacting significantly more than revenues. At the other end of the spectrum, in Chile expenditure reacts very little to commodity price fluctuations, and the dynamic responses of its fiscal indicators are very similar to those seen in high-income commodity-exporting countries. This distinct behavior across countries may relate to institutional arrangements, which in some cases include the efficient application of fiscal rules amid political commitment and high standards of transparency.	

4. ÁLTALÁNOS GAZDASÁGPOLITIKA

Central banking in uncertain times: conviction and responsibility http://www.ecb.int/press/key/date/2010/html/sp100827.en.html Speech by **Jean-Claude Trichet**, President of the ECB, at the symposium on "Macroeconomic challenges: the decade ahead", Jackson Hole, Wyoming, 27 August 2010	ECB Speech
The current economic situation http://www.bis.org/review/r100825d.pdf Speech by **Mr Svante Oeberg**, First Deputy Governor of the Sveriges Riksbank, at Swedbank, Stockholm, 20 August 2010.	BIS Central Banker Speech
Republic of Korea: IMF Executive Board Concludes 2010 Article IV Consultation, September 1, 2010 http://www.imf.org/external/np/sec/pn/2010/pn10120.htm	IMF Press Release
Is the new keynesian IS curve structural?,23/08/2010 http://www.ecb.int/pub/pdf/scpwps/ecbwp1236.pdf There is already a small literature emphasising the empirical failure of the New Keynesian IS curve, but it is not yet known if this failure reflects empirical problems associated with small samples or is rather a structural weakness of the underlying model. To address this question, in this paper I estimate the New Keynesian IS curve for output and consumption and several possible extensions on panel data from 22 OECD countries over 40 years of data. I also evaluate whether the key parameters of the IS curve change according to countries' economic and financial structure. The main finding is that output and consumption are mainly forward looking, and this is a very robust feature of the data. At the same time, I find little evidence in favour of the traditional specification where the real interest rate enters with a negative sign due to intertemporal substitution; on the contrary, it is typically either insignificant or wrongly signed. Overall, I conclude that the New Keynesian IS curve, at least in its most common formulations, is not structural and is overwhelmingly rejected by the data.	ECB Working Paper
Imposing parsimony in cross-country growth regressions, 23/08/2010 http://www.ecb.int/pub/pdf/scpwps/ecbwp1234.pdf The number of variables related to long-run economic growth is large compared with the number of countries. Bayesian model averaging is often used to impose parsimony in the cross-country growth regression. The underlying prior is that many of the considered variables need to be excluded from the model. This paper, instead, advocates priors that impose parsimony without excluding variables. The resulting models fit the data better and are more robust to revisions of income data. The positive relationship between measures of trade openness and growth is much stronger than found in the literature.	ECB Working Paper

Sustainable Real Exchange Rates in the New EU Member States: What did the Great Recession Change?, September 1, 2010 http://www.imf.org/external/pubs/ft/wp/2010/wp10198.pdf The Great Recession affected export and import patterns in our sample countries, and these changes, coupled with a more volatile external environment, have profound impact on our estimates of real exchange rate misalignments and projections of sustainable real exchange rates. We find that real misalignments in several countries with pegged exchange rates and excessive external liabilities widened relative to earlier estimates. While countries with balanced net trade positions are expected to continue to experience appreciation during 2010-2014, several currencies are likely to require real depreciation to maintain sustainable net external debt. Our estimates point to somewhat larger disequilibria than those of IMF country teams, however, any estimates of equilibrium exchange rates are subject to sizable uncertainty.	IMF Working Paper

5. STATISZTIKA

MFI interest rate statistics, 01/09/2010 http://www.ecb.int/press/pdf/mfi/mir1009.pdf	ECB Press Release
Monetary developments in the euro area, 26/08/2010 http://www.ecb.int/press/pdf/md/md1007.pdf	ECB Press Release
Flash estimate - August 2010 Euro area inflation estimated at 1.6%, 31/08/2010 http://europa.eu/rapid/pressReleasesAction.do?reference=STAT/10/124&format=HTML&aged=0&language=EN&guiLanguage=en	EU Press Release
July 2010 Euro area unemployment rate stable at 10.0% EU27 stable at 9.6%, 31/08/2010 http://europa.eu/rapid/pressReleasesAction.do?reference=STAT/10/125&format=HTML&aged=0&language=EN&guiLanguage=en	EU Press Release
August 2010: Economic Sentiment Indicator on the up after July's surge, 30/08/2010 http://europa.eu/rapid/pressReleasesAction.do?reference=IP/10/1075&format=HTML&aged=0&language=EN&guiLanguage=en	EU Press Release
August 2010: Business Climate Indicator for the euro area remains broadly unchanged, 30/08/2010 http://europa.eu/rapid/pressReleasesAction.do?reference=IP/10/1076&format=HTML&aged=0&language=EN&guiLanguage=en	EU Press Release
Annual inflation in OECD area edges up to 1.6% in July 2010, 31-Aug-2010 http://www.oecd.org/dataoecd/45/36/45897035.pdf	OECD Press Release
Property price statistics, 31 August 2010 http://www.bis.org/statistics/pp/pp.xls The property price statistics include data from 37 countries, and are available at different frequencies. The data differ significantly from country to country, for instance in terms of sources of information on prices, type of property, area covered, property vintage, priced unit, detailed compilation methods and seasonal adjustment. This reflects two facts. Firstly, that the processes associated with buying and selling a property and hence data available, vary between countries and secondly, that there are currently no specific international standards for property price statistics. However, Eurostat is taking the lead in drafting a Handbook on Residential Property Price Indices under the aegis of the Inter-Secretariat Working Group on Price Statistics. This handbook will give recommendations on best practice for compiling residential property price indices and will present these in the context of the different user needs for such indices. A first draft of the Handbook is available for public comment. The Handbook builds on work undertaken at a number of international meetings over recent years to identify the requirements for improved data on property prices from an economic, monetary and financial stability perspective. Related Press Release: http://www.bis.org/statistics/pp.htm	BIS Publication