



# LIBRARY LINK

## EUROPE



**Library Link: Europe** features the latest research on the region. Scroll down for **Sovereign Rating Reports, Books, and Working Papers**.

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## SOVEREIGN RATING REPORTS

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Email [Library@IMF.org](mailto:Library@IMF.org) to request the full reports; we'll send them to you as quickly as possible! (*reports are from Dec 7 to Jan 10, 2023*)

### European Region

- Fitch: "[Emerging Europe Sovereign Outlook 2023](#)" (Dec 7)
- Moody's: "Sovereigns – Central and Eastern Europe: Outlook for 2023 is negative as the energy crisis tests the region's resilience" (Jan 10)
- Moody's: "Banking – Europe: ECB rate hike is positive for banks, but hawkish stance clouds outlook" (Dec 19)
- S&P: "Nordic Credit Outlook: An Uneven Road Ahead" (Jan 9)
- S&P: "Europe Bends (2022), A Tightrope Walk (2023)" (Dec 14)

### Central 1 & 2

- Moody's: "Government of Croatia – Baa2 stable: Update following methodology update" (Dec 12)
- Moody's: "Government of Hungary: Hungary qualifies for most EU funding, but significant funds remain at risk, a credit negative" (Dec 16)
- S&P: "Slovenia Full Analysis" (Dec 12)

### Eastern & Eastern 2

- Moody's: "Government of Belarus – Ca Negative: Update following methodology update" (Dec 13)
- Moody's: "Government of Moldova – B3 negative: Update following methodology update" (Dec 13)
- Fitch: "[Turkiye: The Long Road to 2023](#)" (Dec 13)
- Moody's: "Government of Ukraine – Caa3 negative: Update following methodology update" (Dec 8)

## Nordic

- Moody's: "Government of Finland – Aa1 stable: Update following methodology update" (Dec 15)

## Northwestern 1 & 2

- Moody's: "Government of Belgium – Aa3 stable: Update following methodology update" (Dec 13)
- Moody's: "Government of France - Aa2 stable: Annual credit analysis" (Dec 15)
- Moody's: "Government of Germany – Aaa stable: Update following methodology update" (Dec 8)
- Moody's: "Government of Ireland – A1 positive : Update following methodology update" (Dec 15)
- Moody's: "Government of Luxembourg – Aaa stable: Update following methodology update" (Dec 15)
- Moody's: "Government of the Netherlands – Aaa stable: Regular update" (Dec 13)

## Other Advanced Economies

- Fitch: "[Switzerland Rating Report](#)" (Dec 22)
- Fitch: "[United Kingdom Rating Report](#)" (Jan 4)

## Poland & Baltics

- S&P: "Latvia Full Analysis" (Dec 19)
- Fitch: "[Lithuania Rating Report](#)" (Jan 3)

## Southeastern 1 & 2

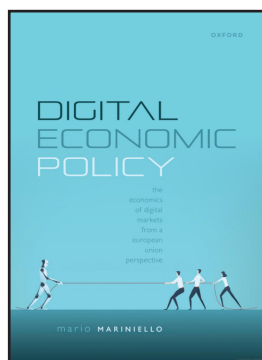
- S&P: "Research Update: Albania 'B+/B' Ratings Affirmed; Outlook Stable" (Dec 9)
- Moody's: "Government of Bulgaria – Baa1 stable: Update following methodology update" (Dec 13)
- Moody's: "Government of Montenegro – B1 stable: Update following methodology update" (Dec 9)
- Moody's: "Government of Romania – Baa3 stable: Update following methodology update" (Dec 9)
- Moody's: "Government of Serbia – Ba2 stable: Update following methodology update" (Dec 9)
- S&P: "Research Update: Serbia 'BB+/B' Ratings Affirmed; Outlook Stable" (Dec 9)

## Southern 1-3

- Fitch: "[Andorra Rating Report](#)" (Jan 5)
- Moody's: "Government of Cyprus – Ba1 positive: Update following methodology update" (Dec 7)
- Moody's: "Government of Portugal – Baa2 stable: Annual credit analysis" (Dec 12)
- Fitch: "[Spain Rating Report](#)" (Dec 21)

## BOOKS

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### [Digital Economic Policy: The Economics of Digital Markets from a European Union Perspective](#)

**Mario Mariniello**

The emergence of new technologies and business models such as data analytics, online platforms, and artificial intelligence has shaken the economy and society at their foundations. Recently, it has become apparent that public authorities must take a pro-active role to define the rules of the newly emerged markets before potential issues and concerns cement.



## **Europe's Environment: The Seventh Pan-European Environmental Assessment**

### **United Nations Economic Commission for Europe**

The seventh edition of the pan-European environmental assessment provides an overview of the current state and trends of the environment in Europe and Central Asia based on selected indicators, and of the challenges that are faced. It also provides policy recommendations to UNECE member States.

## **WORKING PAPERS**

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### **Inflation Persistence in Europe: The Effects of the Covid-19 Pandemic and of the Russia-Ukraine War** (CESifo Working Paper No. 10071, CESifo)

This note analyses the possible effects of the Covid-19 pandemic and of the Russia-Ukraine war on the degree of inflation persistence in both the euro zone and the European Union as a whole (EU27). For this purpose a fractional integration model is estimated, first using the full sample and then recursively. Although the recursive analysis provides clear evidence of a significant increase in inflation persistence (especially in the case of the EU27, for which in addition to jumps an upward trend is clearly identifiable), the full-sample results imply long-lasting but only temporary effects of the two shocks being examined.

### **Chasing the Sun and Catching the Wind: Energy Transition and Electricity Prices in Europe** (Working Paper No. 2022/220, International Monetary Fund)

This paper investigates the impact of green power resources on the level and volatility of wholesale electricity prices at a granular level, using monthly observations for a panel of 24 European countries over the period 2014–2021 and alternative estimation methods including a panel quantile regression approach. We find that renewable energy is associated with a significant reduction in wholesale electricity prices in Europe, with an average impact of 0.6 percent for each 1 percentage points increase in renewable share. We also find evidence for a nonlinear effect—that is, higher the share of renewables, the greater its effect on electricity prices.

### **Here Comes the Change: The Role of Global and Domestic Factors in Post-Pandemic Inflation in Europe** (Working Paper No. 2022/241, International Monetary Fund)

This paper disentangles the confluence of contributing factors to the post-pandemic rise in consumer price inflation, using monthly data and a battery of econometric methodologies covering a panel of 30 European countries over the period 2002-2022. We find that while global factors continue to shape inflation dynamics throughout Europe, country-specific factors, including monetary and fiscal policy responses to the crisis, have also gained greater prominence in determining consumer price inflation during the pandemic period.

### **Targeted, Implementable, and Practical Energy Relief Measures for Households in Europe** (Working Paper No. 2022/262, International Monetary Fund)

The recommended way of helping households during the ongoing European energy crisis is to allow price signals to operate freely while providing targeted compensation to the vulnerable. In practice, however, institutional, political, and technical constraints have led many European governments to adopt broad, price-suppressing measures, which impede the adjustment in demand, have high fiscal costs, and widen cross-country gaps in prices. This paper focuses on easy-to-implement, second-best policies.

## **Europe Reaction Assessment to the Russian-Ukrainian Invasion: Economic Perspective (SSRN 4256145, SSRN)**

This paper examines how the decision-makers manage and deal with the Russian invasion from an economic perspective. The consequences of the made decisions in the long and short terms. Meantime, how were the European-American people influenced by these decisions, and to what extent did these decisions affect the economy of other nations? Consequently, to what extent could the current global financial system be exposed?

## **Rising Electricity Prices in Europe: The Impact of Fuel and Carbon Prices (SSRN 4259209, SSRN)**

This paper provides an empirical assessment of the impact of rising gas and carbon prices on European electricity prices. Using a comprehensive data set of hourly power market data of 14 European countries, we estimate the impact of gas and carbon prices on electricity prices for the years 2018 to 2021. We show that the gas price lead to an average increase in electricity prices of 110€/MWh; whereas the increase attributed to the carbon price only amounted to an average of 20€/MWh.

## **Asymmetric Impact of Russia-Ukraine War on Global Stock Markets (SSRN 4273419, SSRN)**

Using a broad (95 countries) sample, we examine the impact of the Russia-Ukraine war on global stock markets surrounding the war announcement. We applied event study and used short and long event windows to examine the immediate and intermediate impact of war. The Russia-Ukraine war triggered negative aggregate returns for world stock markets on and around the event day, and Russia saw the biggest fall. Stock markets reacted asymmetrically depending on geographic proximity to Russia and Ukraine, dependence on Russian oil and gas, and producer vs. consumer status for energy and food grains.

## **The Economic Impacts of Russia-Ukraine War Export Disruptions of Grains and Metals (SSRN 4286716, SSRN)**

We apply the GTAP multi-country computable general equilibrium (CGE) model to analyze the economic impacts of the major disruptions of exports of grains and metals from the combatants of the Ukraine War on their own economies and those of others. The simulation results indicate that these disruptions affect not only Ukraine and Russia but also generate significant cascading economic impacts both across other sectors and world regions.

## **Job Tenure and Structural Change in the Transition Economies of Europe (Policy Research Working Papers 10206, World Bank)**

Uses labor force survey data for 1995–2020 to analyze the dynamics of job tenure in seven transition economies of Europe and a comparator country (Türkiye).

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