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SOVEREIGN RATING REPORTS

Email Library@IMF.org to request the full reports; we'll send them to you as quickly as possible! (*Reports are from Oct 18 to Nov 13, 2023*)

European Region

- Fitch: "[Emerging Europe Sovereigns – Peer Review 2023](#)" (Oct 23)
- Moody's: "Banks – Europe: ECB keeps rates unchanged as inflation falls by almost one percentage point" (Oct 30)
- S&P: "Europe's Risky Credits: Liquidity And Refinancing Risks Start To Bite" (Nov 1)

Central 1 & 2

- Fitch: "[Fitch Ratings: Slovakia's New Government Still Faces Fiscal, Governance Challenges](#)" (Nov 01)
- Fitch: "[Slovenia Rating Report](#)" (Nov 02)
- Moody's: "Government of Slovenia - A3 stable: Annual credit analysis" (Oct 23)

Eastern & Eastern 2

No new reports

Nordic

- Fitch: "[Fitch Affirms Denmark at 'AAA'; Outlook Stable](#)" (Nov 03)
- S&P: "Research Update: Finland 'AA+/A-1+' Ratings Affirmed; Outlook Stable" (Oct 27)

- Moody's: "Government of Norway – Aaa stable: Regular update" (Nov 07)
- Fitch: "[Sweden Rating Report](#)" (Nov 02)
- S&P: "Sweden Full Analysis" (Oct 30)

Northwestern 1 & 2

- Moody's: "Government of Belgium – Aa3: Regular update" (Oct 31)
- Fitch: "[France Rating Report](#)" (Nov 09)
- Moody's: "Government of France – Aa2 stable: Regular update" (Nov 01)
- Moody's: "Government of Ireland – Aa3 stable: Regular Update" (Oct 24)
- S&P: "Research Update: Netherlands 'AAA/A-1+' Ratings Affirmed; Outlook Stable" (Oct 20)

Other Advanced Economies

- S&P: "Research Update: Iceland Ratings Raised To 'A+' On Strong Growth and Fiscal Consolidation; Outlook Stable" (Nov 10)
- Moody's: "Government of Israel – A1 RUR-: Update following placement of rating on review for downgrade" (Oct 24)
- S&P: "Israel Full Analysis" (Nov 13)
- Fitch: "[Fitch Affirms Switzerland at 'AAA'; Outlook Stable](#)" (Nov 03)
- Moody's: "Government of the United Kingdom – Aa3 stable: Update following change in outlook to stable; rating affirmation" (Oct 24)
- S&P: "Research Update: United Kingdom 'AA/A-1+' Ratings Affirmed; Outlook Stable" (Oct 20)

Poland & Baltics

- Fitch: "[Fitch Affirms Poland at 'A-'; Outlook Stable](#)" (Nov 10)

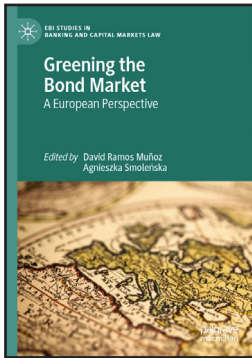
Southeastern 1 & 2

- Fitch: "[Bulgaria Rating Report](#)" (Nov 09)
- S&P: "Bulletin: Montenegro's New Government Faces A Difficult Policy Agenda" (Nov 06)
- Moody's: "Government of Romania – Baa3 stable: Update following rating affirmation, outlook unchanged" (Nov 07)

Southern 1-3

- Fitch: "[Andorra Rating Report](#)" (Nov 09)
- S&P: "Andorra Full Analysis" (Nov 13)
- S&P: "Research Update: Greece Upgraded To 'BBB-/A-3' On An Improved Budgetary Position; Outlook Stable" (Oct 20)
- Fitch: "[Fitch Affirms Italy at 'BBB'; Outlook Stable](#)" (Nov 10)
- Moody's: "Research Update: Italy 'BBB/A-2' Ratings Affirmed; Outlook Stable" (Oct 20)
- Moody's: "Government of Portugal: Prioritisation of 2024 budget amid prime minister's resignation supports short-term fiscal outlook" (Nov 10)
- S&P: "Bulletin: Resignation Of Portugal's Prime Minister Poses Limited Short-Term Fiscal Risks" (Nov 08)

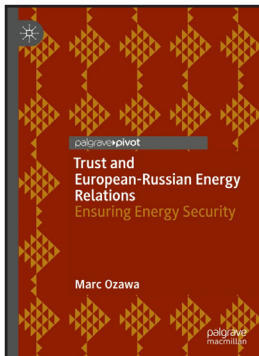
BOOKS



[Greening the Bond Market: A European Perspective](#)

David Ramos Muñoz and Agnieszka Smoleńska

Green bond issuance has surged in recent years in response to growing investor appetite and borrowers' needs as they embark on the sustainability transition. The EU leads the way, with over 40% of all sustainable bond issuances denominated in euro. This book explores in an interdisciplinary way the challenges and opportunities of green bonds and sustainable finance from a legal, regulatory and economic perspectives.



[Trust and European-Russian Energy Relations: Ensuring Energy Security](#)

Ozawa, Marc

Examines the role of trust in European-Russian energy relations and how some European countries have become dependent on Russia for energy. It examines how trust is developed between nations, the social interactions that underpin it, and the significant differences in the ways in which different countries create energy partnerships. The role of cooperation and direct experience, historical memories, national culture, individual personalities, and trade agreement structures are also discussed.



[Policies for the Future of Farming and Food in the European Union](#)

OECD

The European Union is one of the world's largest agro-food players. In an ever-changing economic and policy environment, the EU agro-food system has demonstrated its resilience and the ability to keep productivity growing. More needs to be done for the agricultural sector to improve its environmental sustainability performance in line with expectations.

WORKING PAPERS

[What Drives House Prices in Europe? \(Occasional Paper No. 764, Bank of Italy\)](#)

This paper studies the drivers of house price dynamics in a range of European countries, based on an econometric model in which house prices depend on household disposable income, interest rates on mortgages, housing supply and expectations about the future value of real estate properties. The model makes it possible to build an indicator of the deviation of house prices from their fundamental values, signalling potential risks for financial stability.

[The Green Industrial Revolution – Investment Pathways to Decarbonize the Industrial Sector in Europe \(CESifo Working Paper No. 10506, CESifo\)](#)

The industrial sector is responsible for roughly one quarter of global greenhouse-gas (GHG) emissions. To align sector pathway developments with overarching net-zero transition goals in different industries, governments are required to understand sectoral reduction potentials to efficiently promote industry decarbonization using the instruments at their disposal (e.g. subsidies, carbon taxes).

[A Deep Dive into the Capital Channel of Risk Sharing in the Euro Area \(Working Paper Series No. 2864, European Central Bank\)](#)

This paper investigates the contribution of capital markets to international risk sharing in the euro area over the 2000Q1-2021Q1 period. It provides three main contributions: First, the estimation of country-specific vector autoregressions (VAR) shows that shock absorption through capital markets remains modest, particularly in the southern euro area. Second, we analyse the geographical patterns of the capital channel. Third, based on a panel threshold VAR, we analyse how the composition of external capital positions impacts the capital channel.

[The Effect of Monetary Policy on Inflation Heterogeneity Along the Income Distribution \(Working Paper Series No. 2858, European Central Bank\)](#)

This paper studies the effect of monetary policy on inflation along the income distribution in several euro area countries. It shows that monetary policy has differential effects and identifies two channels which point in opposite directions.

[Euro Area Banks' Market Power, Lending Channel and Stability: the Effects of Negative Policy Rates \(Working Paper Series No. 2790, European Central Bank\)](#)

This paper investigates to what extent the introduction of negative monetary policy rates altered the competitive behaviour in the euro area banking sector. Specifically, it analyses the effect that negative policy rates had on euro area banks' market power in comparison to banks that have not been subject to negative rates. The analysis, considering a sample of 4,223 banks over the period 2011–2018 and relying on a difference-in-differences methodology, finds that negative monetary policy rates led to an increase in euro area banks' market power.

[A Comprehensive Macroeconomic Uncertainty Measure for the Euro Area and its Implications to COVID-19 \(Working Paper No. 2023/229, International Monetary Fund\)](#)

This paper develops a new data-driven metric to capture Macroeconomic Uncertainty (MEU) in the euro area. The measure is constructed as the conditional volatility of the unforecastable components of a large set of time series, accounting for the monetary union as well as cross-country heterogeneity. MEU exhibits the largest spike at the time of the COVID-19 outbreak and is noticeably different from other more financial-oriented and policy-driven uncertainty measures. It also reveals a significant increase in inflation uncertainty in 2021–2022.

[Green Risk in Europe \(SSRN no. 4562028, SSRN\)](#)

Climate change poses serious economic, financial, and social challenges to humanity, and green transition policies are now actively implemented in many industrialized countries. Whether financial markets price climate risks is critical to ensuring that the necessary funding flows into environmentally sound projects and that stranded assets risk is adequately managed. In this paper, we assess climate risks for the European stock market within the context of Alessi et al. (2023) greenness and transparency factor.

[Financing the Low-Carbon Transition in Europe \(SSRN no. 4510461, SSRN\)](#)

Using evidence from the EU emissions trading system, we collect verified emissions of close to 4000 highly polluting and mostly non-listed firms responsible for 26% of EU's emissions. Over the period 2013–2019, we find a non-linear relationship between leverage and emissions.

[Setting the Right Innovation Incentives for Europe's Green Transition \(SSRN no. 4493903, SSRN\)](#)

Climate change poses a significant challenge to humanity. Building cleantech innovation systems and spurring innovation in Europe is critical to the revitalisation of the European economy to create long-term sus-

tainable prosperity. Providing incentives for innovation is one of the key priorities of the EU climate policy. Yet, it is crucial to determine, which legal measures provide the right incentives for developing climate change technology.

Private Sector Opportunities for a Green and Resilient Reconstruction in Ukraine: Synthesis Report (World Bank)

In March 2023, the Second Rapid Damage and Needs Assessment (RDNA2) identified \$411 billion worth of investments required for Ukraine's reconstruction. The World Bank Group's new report "Private Sector Opportunities for a Green and Resilient Reconstruction in Ukraine", developed in cooperation with Ukraine's government, assesses the potential for private financing to meet these needs under both a status quo scenario and a scenario with reforms and other sectoral interventions.

Toward Sustainable Growth (Western Balkans Regular Economic Report No.24, Fall 2023, World Bank)

In the context of weakening global demand, growth in the Western Balkans decelerated over the course of 2022 and into 2023. Against the background of the lasting effects of shocks from Russia's invasion of Ukraine, sticky inflation, and tighter financial conditions, global demand has been weakening, and this has a divergent impact across the Western Balkans (WB6).

GovTech Maturity Index, 2022 Update (Europe and Central Asia Regional Brief, World Bank)

According to the GovTech Maturity Index (GTMI) 2022 update for the Europe and Central Asia (ECA) region, 26 countries are in groups A and B demonstrating significant focus on GovTech initiatives and the remaining four countries are in groups C and D. The GovTech initiatives are significantly related to enhancing the delivery of public services and strengthening shared digital platforms and core systems, and there is also some focus on improving digital citizen engagement and enablers.

Who Suffers the Most from the Cost-of-Living Crisis? (Policy Research Working Papers 10377, World Bank)

This paper constructs cost-of-living indexes for different groups of households to quantify the differences in the distribution of the burden of high inflation among the populations of countries in Europe and Central Asia. The analysis demonstrates that the cost-of-living crisis of 2022–23 has had a heterogeneous impact on European populations.

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