



FACULTY of ECONOMICS  
ADMINISTRATION SEMINAR



## **“A New Era of International Financial Integration: Global, Market, and Regional Factors**

by **Professor Dr. Graciela L. Kaminsky**

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**Date : Wednesday, 21<sup>st</sup> June 2006**

**Time : 2.00 p.m. – 3.30 p.m.**

**Venue: Conference Room, Postgraduate Building  
Faculty of Economics & Administration**

### **ABSTRACT**

This paper analyzes the pattern of international financial integration by studying public and private gross issuance in international bond, equity, and syndicated loan markets of one hundred one countries since 1980. We develop and estimate a non stationary Bayesian dynamic latent factor model with one world factor and three market factors. The four factors account, on average, for about 50 percent of the variance of fluctuations in international issuance, an indication of substantial financial integration. Our results also suggest that Japan, Latin American countries, and the Middle East region stand out with respect to the rest of the world economy by exhibiting largely idiosyncratic patterns of issuance.

### **About the Speaker**

Graciela L. Kaminsky is currently a professor of Economics and International Affairs at George Washington University. She received her Ph.D. from MIT and was assistant professor of economics at the University of California, San Diego and a staff economist at the Board of Governors of the Federal Reserve System before joining George Washington University. She is a Research Associate at the National Bureau of Economic Research. She has been a Visiting Scholar at the International Monetary Fund, the World Bank, the Bank of Japan, the Hong Kong Monetary Authority, and Banco de Mexico. She has also been a consultant to the Banco de España, the Inter-American Development Bank, and the Korean Center for International Finance. She was a visiting professor at the Department of Economics, Johns Hopkins University, Universidad de Los Andes (Bogotá, Colombia), Institute of International Economics (University of Stockholm), Universidad di Tella and Universidad San Andrés, both in Buenos Aires, Argentina. She has published extensively on issues in open economy macroeconomics. In the last few years, her areas of research have been on financial crises, contagion, herding behavior, the effects of financial liberalization, mutual-fund investment-strategies, and access to international capital markets.

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