

Possible Paper Topics

- 1.) The current + future role of the RMB in the Intl. Financial System. What must China do to encourage wider use of the RMB? What are the costs & benefits?
- 2.) Is the Current Acct. still relevant in a world of highly integrated intl. capital markets? [Obstfeld (AER, 2012)].
- 3.) Why have there been recent deviations from Covered Interest Parity?
- 4.) How + why did the U.S. financial crisis in 2007-8 spread to the rest of the world? What was the role of "global imbalances" in causing the crisis? [Lewis].
- 5.) Empirically model the relationship between oil prices and the C\$. Can you use one to forecast the other? How has the relationship changed over time?
- 6.) How does high-frequency/computerized trading work in the fx market? Does HF trading enhance market liquidity, or just create adverse selection problems?
- 7.) How will the development of digital currencies (e.g. Bitcoin) influence the future development of the Intl. Financial System? What are the benefits? What are the dangers?
- 8.) How does the euro work? What is its future?