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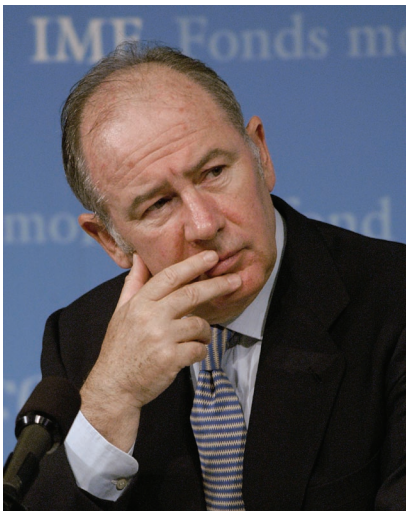
Rodrigo de Rato*

EKONOMSKI RAST I RAZVOJ FINANSIJSKIH TRŽIŠTA: JAČANJE INTEGRACIJE



Direktor Međunarodnog Monetarnog Fonda Rodrigo de Rato održao je govor na 3. međunarodnoj konferenciji derivata i finansijskih tržišta u Brazilu (Campos do Jordão) 22. avgusta 2007. godine. Prenosimo ga u nezvaničnom prevodu.

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Rodrigo de Rato*

ECONOMIC GROWTH AND FINANCIAL MARKET DEVELOPMENT: A STRENGTHENING INTEGRATION

Speech by Rodrigo de Rato, Managing Director of the International Monetary Fund at the 3rd International Derivatives and Financial Market Conference Campos do Jordão, Brazil, August 22, 2007



speeches

* Managing Director of the International Monetary Fund

1. Dozvolite mi da počnem sa zahvalnošću G. Manoel Felix Cintra Neto za poziv na ovu konferenciju i predsedniku G. Meirelles-u za veoma ljubaznu najavu.

2. Želeo bih da razgovaram sa vama ove večeri o tome koliku važnost za ekonomije u razvoju ima razvijanje jakih, širokih i dubokih finansijskih tržišta. Na prvi pogled, ovo može izgledati kao čudno vreme za naglašavanje značaja razvoja finansijskih tržišta. Širom sveta postoji rastuća zabrinutost zbog nedavnih kretanja na tržištima hipotekarnih kredita. Naravno, Međunarodni monetarni fond (MMF) je proteklih meseci upozoravao o ovim rizicima, uključujući i one u vezi sa postignutim trgovanjima, merdžerima i popustljivosti pred kreditnim rizicima. Proteklih nedelja, videli smo da se problemi sa rizičnijih tržišta hipotekarnih kredita (subprime mortgage markets) Sjedinjenih Američkih Država (SAD) prenose dalje preko globalnih tržišta kapitala, iziskujući vanredne injekcije likvidnosti od strane centralnih banaka SAD, Evrope i Azije.

3. Ova epizoda turbulencija predstavlja prvi pravi test strukturnog finansiranja i povezanih tržišta kreditnih derivata, kao i kompleksnih instrumenata kojima se trguje na ovim tržištima. Na početku treba napomenuti da su ova tržišta, koja su rapidno narastala proteklih godina, donela mnogo koristi. Omogućavajući tržišnim učesnicima da bolje diverzifikuju rizik, troškovi kredita snižavani su širom sveta i daleko veći segment populacije je mogao da dođe do kredita, obezbeđujući značajan podstrek globalnom rastu.

4. Međutim, neki učesnici su potcenili rizike u vezi sa likvidnošću i vrednovanjem ovih kompleksnih instrumenata. Produbljivanje zabrinutosti zbog situacije brojnih finansijskih institucija izloženih ovim rizicima, značajno je uticalo na likvidnost međubankarskih tržišta. Srećom, dosta centralnih banaka širom sveta brzo je reagovalo putem značajnih injekcija likvidnosti, u cilju ponovnog uspostavljanja prethodnih tržišnih uslova. I pored toga, posmatrano dalje, preostaje značajna neizvesnost u pogledu implikacija tekućeg odlivanja likvidnosti za finansijska tržišta i za perspective realnog sektora ekonomije šire posmatrano.

Sedište Međunarodnog monetarnog fonda u Vašingtonu



5. Iz perspective MMF-a, ponudio bih tri opservacije u vezi sa ovim nedavnim događanjima i njihovim implikacijama. Prvo, za sada, mi još uvek očekujemo da će ekonomija na globalnom nivou nastaviti da se kreće u dobrom pravcu, iako u svetlu nedavne turbulencije finansijskog tržišta. Drugo, iako su nedavni događaji rasvetlili neke od rizika koji su došli sa inovacijama finansijskih instrumenata, verujemo da ove inovacije obezbeđuju značajni i suštinski doprinos održivom i rapidnom rastu razvijenih, kao i tržišta u razvoju. Treće, finansijska tržišta su još uvek najsigurniji put ka rastu i stabilnosti, ukoliko su transparentna i dobro regulisana i ako je adekvatno propisana zaštita potrošača i investitora. Dozvolite mi da redom razvijem svaku od ovih tema.

Globalni fundamenti i tržišta

6. Ekonomski fundamenti ostaju jaki, kako u velikim industrijskim ekonomijama, tako i u vodećim ekonomijama u razvoju, uključujući Brazil. Naše najnovije projekcije predviđaju održiv globalni rast od oko 5% u 2007 i 2008. godini, sa vodećom ulogom glavnih tržišta u razvoju. Ipak, balans rizika je skrenuo u mogućnost stvaranja rizika u poređenju sa stanjem od pre nekoliko meseci, reflektujući uticaj nedavnih turbulencija na finansijskim tržištima. Ovi rizici zahtevaju bliže posmatranje.

7. Glavni rizik je što razvoj finansijskog tržišta utiče na realnu ekonomiju kroz opadanje cena imovine, čineći finansijske uslove rigidnijim uz ponovno utvrđivanje cene rizika i slabije poverenje. U takvim okolnostima, problem nastaje u mogućnosti ugrožavanja

1. Let me begin by thanking Manoel Felix Cintra Neto for the invitation to this conference and President Meirelles for that very kind introduction.

2. I would like to talk to you this evening about the importance for emerging economies of developing strong, broad, and deep financial markets. At first sight, this may seem like a strange time to be emphasizing the importance of financial market development. Across the world there is heightened concern about the recent turbulence in credit markets. Indeed, the Fund warned of these risks in recent months, including those associated with carry trades, mergers, and complacency about credit risk. In recent weeks, we have seen the problems in the U.S. subprime mortgage market reverberate across global capital markets, requiring exceptional liquidity injections by central banks in the United States, Europe, and Asia.



Campos do Jordão, Brazil

3. This episode of turbulence represents the first real test of structured finance and related credit derivative markets, and of the complex instruments being traded in these markets. It should be said at the outset that these markets, which have grown rapidly in recent years, have brought many benefits. By enabling market participants to better diversify risk, the cost of credit has been lowered world-wide, and a much larger segment of the population has been able to access credit, providing an important boost to global growth.

4. However, some participants have underestimated the risks related to both the liquidity and the pricing of these complex instruments. Deepening concern about the situation of a number of financial institutions exposed to these risks has had a significant impact on the liquidity of the interbank markets. Fortunately, a number of central banks throughout the world have been quick to react with significant injections of liquidity, with an aim to restoring orderly market conditions. Nevertheless, looking forward, there remains considerable uncertainty about the implications of the ongoing liquidity squeeze for financial markets and for the outlook for the real economy more broadly.

5. From the perspective of the International Monetary Fund, I would offer three observations regarding these recent developments and their implications. First, for the present, we still expect the global economy to continue performing well, even in the face of recent financial market turbulence. Second, although recent developments have highlighted some of the risks that come with innovations in financial instruments, we believe that these innovations provide an important and essential contribution to the sustained and rapid growth of both advanced and emerging market economies. Third, financial markets are still the surest route to growth and stability, if they are transparent and well-regulated, and if adequate provisions are made for consumer and investor protection. Let me take each of these themes in turn.

Global fundamentals and markets

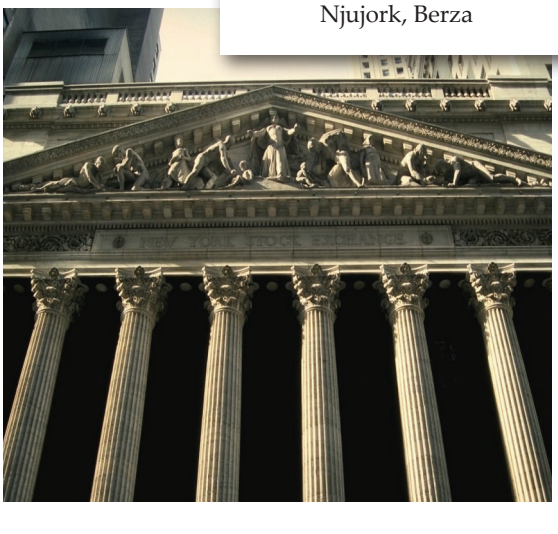
6. The economic fundamentals, both in the large industrial economies and in most major emerging economies, including Brazil, remain strong. Our latest projections anticipate sustained global growth of about 5 percent both in 2007, and 2008, with major emerging markets leading the way. However, the balance of risks has tilted to the downside when compared with a few months ago, reflecting the impact of the recent turbulence in financial markets. These risks bear close watching.

7. The principal risk is that financial market developments affect the real economy through declining asset prices, tightening financial conditions with a repricing of risk, and

potrošnje u SAD, proizvodeći propratne efekte dalje. Ipak, u stepenu u kojem se finansijski uslovi vraćaju u normalno stanje, verujemo da će ovi rizici verovatno biti manji, pošto većina korporacija ostaje visoko profitabilna i finansiranje stanovništva nastavlja da bude stabilno zahvaljujući solidnom rastu zaposlenosti. Zbog toga, ekonomija SAD bi ove godine trebalo da nastavi svoj rast po umerenoj stopi.

8. Štaviše, zaključujemo da globalna ekspanzija nije ojačana samo potrošnjom u SAD. Uprkos nekim usporavanjima u drugom kvartalu, očekuje se da će se trend rasta u evro zoni i Japanu nastaviti po solidnoj stopi, od oko 2,5% i glavna tržišta u razvoju kao što je Kina i Indija će rasti blizu ili preko 10% povećavajući tako svoj svoje doprinose globalnom rastu. Naravno, Kina će biti jedan od glavnih motora svetskog rasta ove godine. Nekoliko glavnih tržišta u razvoju ima jake ekonomske temelje, uključujući suficit tekućeg računa i niži nivo zaduženosti. Fleksibilniji sistemi razmene, i sposobnost izdavanja duga u lokalnoj valuti minimizirali su dva izvora ranjivosti, u poređenju sa prethodnim epizodama funkcionisanja finansijskog tržišta.

9. Ono što vidimo do sada na finansijskim tržištima je ponovna procena rizika. Ovo je prirodni odgovor - posebno prateći produženi period upravo preobilnih tržišta kredita - i ova ponovna procena je, u dužem roku, dobra za finansijsku stabilnost. Ovo ne znači da tržišna prilagođavanja ne predstavljaju rizike na srednji rok. Nevolje na riskantnom hipotekarnom tržištu SAD mogu dalje kobno delovati na imaoce ovih hipoteka i na njihove kreditore kada se hipoteke sa prilagodljivom stopom dovedu u početno stanje do kraja ove godine i u toku sledeće. Na tržištima van SAD, neki problemi koji se odnose na izloženost tržištima kredita u SAD su nedavno izašli na površinu. Podrška likvidnosti koju su obezbedile razne monetarne vlasti bila je adekvatan odgovor na neobezbeđeni i privremeni gubitak poverenja na novčanim tržištima, povezan sa neizvesnostima iznad stepena i raspodele gubitaka po kreditima. Verujemo da će se uslovi likvidnosti vratiti u normalu nakon nestanka informacionih problema i poboljšanja transparentnosti. Iako je suviše rano za procenu konačnog uticaja ove epizode finansijske turbulencije na realni ekonomski rast, usporavanje globalnog rasta bi imalo mali efekat na fundamente svetske privrede.



Njujork, Berza

Razvoj finansijskih tržišta i rast

10. Događaji iz prethodnih nedelja ne podrivaju razvoj i integraciju finansijskih tržišta. Pitanje u vezi sa kvalitetom kredita dovelo je do oštrih korekcija cena na brojnim tržištima imovine u vezi sa kreditom. U stvari, ono što vidimo je test novih tržišta i instrumenata pod manje fleksibilnim uslovima od onih koji su postojali tokom nekoliko poslednjih godina. Ipak, viškom ka nekreditnim tržištima - uključujući valute i kapital - do sada je bilo moguće upravljati, uz pomoć solidnih temelja ne samo na razvijenijim tržištima, nego i u ekonomijama u razvoju. I, ukoliko je istorija učiteljica, čak i kada se šokovi u jednom regionu prelivaju na druga tržišta, ovi efekti su tipično kratkog daha i ponekada čak obezbeđuju neophodni poziv za buđenje investitorima koji mogu da potcene rizike.

11. Naravno, prednosti zdravih finansijskih tržišta su dobro poznate. Ova tržišta igraju kritičnu ulogu u mobilisanju štednje i njenoj alokaciji u proizvodne investicije. Štaviše, jaka lokalna tržišta mogu takođe da obezbede stabilniji izvor finansiranja za javni i privatni sektor, izolujući ih u jednom stepenu od volatilnih tokova globalnog kapitala. Nedavno smo videli neke praktične demonstracije pozitivnih efekata zdravih finansijskih tržišta.

weaker confidence. In such circumstances, the concern would be that consumption could suffer in the United States, producing knock-on effects elsewhere. However, to the extent that financial conditions return to normal, we believe these risks will likely be mitigated, as most corporations remain highly profitable and household finances continue to be sustained by solid employment growth. Thus, the U.S. economy should continue to grow at a moderate pace this year.

8. We note, furthermore, that the global expansion is not powered by US consumption alone. Despite some slowing in the second quarter, growth in the euro area and in Japan is expected to continue at a solid pace of around 2½ percent, and major emerging markets like China and India will grow at close to or above double digit rates, thereby increasing their contributions to global growth. Indeed, China will be one of the main engines of world growth this year. Several of the major emerging markets have strong economic fundamentals, including current account surpluses and lower debt levels. More flexible exchange systems and the ability to issue debt in local currency have minimized two sources of vulnerability, compared with previous episodes of financial market strains. There is clear evidence of this at present.

9. What we see so far in financial markets is a re-appraisal of risk. This is a natural response, particularly following an extended period of rather exuberant credit markets, and this re-appraisal, in the long run, is good for financial stability. This does not mean that market adjustments do not present medium-term risks. The troubles in the U.S. nonprime mortgage market may further distress the holders of such mortgages and their creditors when adjustable rate mortgages are reset over the remainder of this year and next. In markets outside of the United States, some problems related to exposures to U.S. credit markets have recently surfaced. The liquidity support provided by various monetary authorities has been an appropriate response to an unwarranted and temporary loss of confidence in money markets, related to uncertainties over the extent and distribution of credit-related losses. We believe that liquidity conditions will return to normal as information problems diminish and transparency improves. Although it is too early to assess the final impact of this episode of financial turbulence on real economic growth, a moderation of global growth would have little effect on the fundamentals of the world economy.



London, Stock Exchange

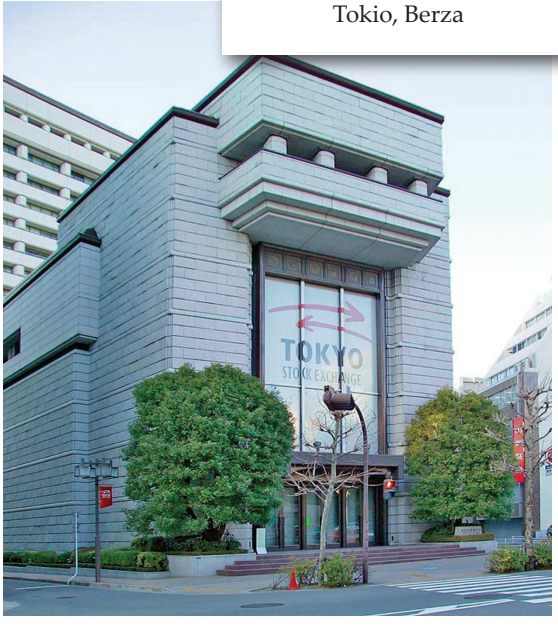
Financial market development and growth

10. The events of recent weeks do not undermine the case for financial market development and integration. Concerns over credit quality have led to sharp price corrections in a number of credit-related asset markets. Actually, what we are seeing is a test of new markets and instruments under less flexible conditions than those that prevailed over the last few years. However, the spillover to noncredit markets—including currencies and equities—has so far been manageable, helped by solid fundamentals not only in more developed markets but also in emerging economies. And, if history is any guide, even when shocks in one region spill over into other markets, these effects are typically short-lived and sometimes even provide a necessary wake up call to investors who may be underestimating the risks.

11. Indeed, the advantages of sound financial markets are well known. These markets play a critical role in mobilizing savings and in allocating them to productive investment. Moreover, strong local markets can also provide a more stable source of financing for the public and the private sectors, insulating them to some extent against volatile global capital flows. We have recently seen some practical demonstrations

U nekoliko industrijskih zemalja, kao što su SAD i Velika Britanija, finansijska tržišta su u protekloj deceniji suštinski poboljšala ekonomske performanse, kroz razvoj širokog niza proizvoda koji omogućavaju efikasniju alokaciju štednje. Ovaj rapidni finansijski razvoj je doprineo povećanju rasta ovih zemalja. Na primer, od sredine 1990-ih, produktivnost je porasla za oko 1% godišnje više u SAD nego u eurozoni. I skoro polovina ove razlike se pripisuje razlikama u produktivnosti finansijskih tržišta. Slično, nekoliko zemalja Južne Amerike je napravilo dobar pomak u razvoju svojih finansijskih tržišta. Penzijski i uzajamni fondovi u Čileu doprineli su produžavanju ročnosti i produbljivanju finansijskih tržišta. Slično, i Brazil i Kina su razvili tržišta derivata u stranoj valuti koja su među najsofisticiranijim i najtransparentnijim na svetu. Ovakav razvoj potpomaže učvršćivanju stabilnosti i ekonomskom rastu.

12. Naravno, nije slučajno što su zemlje u Južnoj Americi i drugim delovima sveta gde je razvoj finansijskih tržišta bio najnapredniji, u isto vreme i među najuspešnijim privredama. Kauzalnost je obostrana. Kako su makroekonomske politike postale kredibilnije i raste uverenje da će inflacija ostati na niskom nivou, tražnja za finansijskim uslugama raste. Kako finansijska tržišta narastaju, raspoloživost kredita se povećava, podstičući brže neinflatorni rast. I kako finansijska tržišta postaju više sofisticirana i upravljanje rizicima i hedžing



Tokio, Berza

lakši, privrede postaju sposobnije da upravljaju volatilnošću. U ovom kontekstu, pomenuo bih da je MMF nedavno završio studiju o tome šta zemlje treba da urade u cilju maksimiziranja dobitaka od finansijske globalizacije. Otkrili smo da zemlje koje imaju razvijenije finansijske sektore, jače institucije, jasne makroekonomske politike i otvorenije trgovinske sisteme, jesu bolje pozicionirane za ostvarivanje benefita od finansijske globalizacije i imaju značajno smanjenu verovatnoću za pojavu nestabilnosti do koje bi došlo zbog većeg izlaganja globalnim tokovima kapitala.

Izgradnja jačih finansijskih tržišta

13. Šta bi onda zemlje sa tržištima u razvoju trebalo da urade u cilju promocije jakih finansijskih sektora? Odgovor je već dobro poznat. Vlade treba da postave jasan i konzistentno primenjen regulatorni okvir i da održavaju jaku finansijsku superviziju, uz istovremeno otklanjanje nepotrebnih pravnih i regulatornih prepreka za nesmetano funkcionisanje ovih tržišta. Ovo su teški izazovi, ali iskustvo razvijenih privreda i nekih privreda u razvoju preporučuje praćenje nekih koraka i izbegavanje nekih grešaka.

14. Jedan od velikih uspeha u razvijenim privredama proteklih godina bio je razvoj naprednih tržišta hipoteka i potrošačkih kredita. U ovom trenutku vidimo mogućnost stvaranja gubitka zbog loše procene rizika i prekomernog plasmana, ali ne bi trebalo da zaboravimo koristi koje dolaze zbog poboljšanog pristupa kreditima. Širenje pristupa kreditima je kreiralo mogućnosti koje inače ne bi postojale. Veći broj ljudi može da finansira kuću, kupi automobil ili započne poslovanje nego što je to bio slučaj ikada pre. Takođe, porast ekonomskih šansi omogućava pojedincima da bolje upravljaju potrošnjom celim tokom svog života.

15. Latinska Amerika, nažalost, daleko zaostaje u ovom procesu. Samo oko 1/3 odrasle populacije ima račun u finansijskoj instituciji, u poređenju sa više od ¾ populacije u industrijalizovanim zemljama. Slično, na kraju 2005. godine krediti domaćinstvima u Latinskoj Americi u proseku su iznosili oko 9% bruto domaćeg proizvoda, u poređenju sa stopama privreda u razvoju od 12% u Evropi, 27% u

of the positive effects of sound financial markets. In several industrial countries, such as the United States and the United Kingdom, financial markets over the past decade have substantially improved economic performance, through the development a wide array of products that allow for a more efficient allocation of savings. This rapid financial development has helped boost growth in both countries. For example, since the mid-1990s, productivity has grown by about 1 percent a year more in the United States than in the euro area. And almost half of this difference is accounted for by differences in productivity in the financial sector. Similarly, several countries in Latin America have made good progress in developing their financial markets. Pension and mutual funds in Chile have helped lengthen maturities and deepen financial markets. Similarly, both Brazil and Chile have developed foreign exchange derivatives markets which are among the most sophisticated and transparent in the world. These developments are helping to enhance stability and economic growth.

12. Indeed, it is no coincidence that the countries, in Latin America and elsewhere, where financial market development has been the most advanced are also those that have been among the most successful economies. The causality runs both ways. As macroeconomic policies have become more credible, and confidence grows that inflation will remain low, demand for financial services increases. As financial markets grow, the availability of credit increases, spurring faster noninflationary growth. And as financial markets become more sophisticated, and risk management and hedging become easier, economies become better able to manage volatility. In this context, I should mention that the Fund has recently completed a study on what countries need to do to maximize the gains from financial globalization. We find that countries that have more developed financial sectors, stronger institutions, sound macroeconomic policies, and more open trade systems are better placed to benefit from financial globalization and are considerably less likely to suffer the instability that greater openness to global capital flows could entail.



China, Shenzen, Stock Exchange

Building stronger financial markets

13. What then should emerging market countries do to promote strong financial sectors? The answer is a familiar one. Governments need to put in place clear and consistently applied regulatory frameworks and to maintain strong financial supervision, while reducing unnecessary legal and regulatory impediments to the smooth functioning of these markets. These are difficult challenges, but experience in advanced economies and in some emerging economies suggests some paths to follow and some mistakes to avoid.

14. One of the great successes of recent years in advanced economies has been the development of thriving markets in mortgages and consumer credit. We are seeing the downside of poor risk assessment and overlending at the moment, but we should not forget the benefits that come from increased access to credit. The broadening of access to credit has created opportunities that would not have otherwise existed. More people can finance a house, buy a car, or build a business than ever before. An increase in economic opportunities also makes it possible for individuals to spread their consumption better over the course of their lives.

15. Latin America, unfortunately, has been largely left behind in this process. Only

Aziji, ili sa 58% GDP koliko je na razvijenijim tržištima.

16. Jasno, bazični uslov za razvoj svih kreditnih tržišta, uključujući i kredite domaćinstvima, je makroekonomska stabilnost. Naučili smo se vremenom da će kreditna tržišta krenuti samo onda kada su neizvesnosti u vezi sa inflacijom, kamatnim stopama i deviznim kursevima redukovane u razumnoj meri. Ipak, postoje koraci koji takođe mogu biti preduzeti na mikro i institucionalnom nivou u cilju promocije tržišta kredita domaćinstvima i hipoteka. Ovde postoje znaci progresa u regionu:

- Krediti domaćinstvima u nekim zemljama, uključujući Brazil, rasli su rapidno velikim delom zahvaljujući važnim institucionalnim promenama koje su umanjile rizike oporavka zajma i proširile ponudu kreditnih instrumenata.
- Napori u Brazilu ka razvoju tehnologije koja omogućava bankama da budu partneri sa trgovcima na malo i ostalim point-of-sale lokacijama takođe daju uspešan model kako pristup finansijskim uslugama proširiti ka novim klijentima i slabije naseljenim oblastima.
- Tok doznaka radnika ka Latinskoj Americi nudi jedinstvenu mogućnost ka proširenju mreže finansijskih usluga i zadovoljavanju potreba ove tradicionalno neuslužene populacije. U ovoj oblasti je učinjen progres, pošto su banke postale izuzetno uključene u olakšavanje transfera doznaka u region.
- Sledeća čista lekcija je upućena vladama kako bi izbegle izazove za direktnim komercijalnim bankarskim kreditima ili prekomernim intervencijama u dizajniranju proizvoda. Iako nedavno iskustvo u Sjedinjenim Američkim Državama pokazuje da bi regulatori trebalo da zahtevaju od kreditnih institucija da čine adekvatne provizije za rizičnije forme kredita, kao što su negativne amortizacije hipoteka, isto je tako važno izbeći politike koje ograničavaju sposobnost finansijskih intermedijatora da efektivno alociraju kredit u cilju njegove najproduktivnije upotrebe.
- Jak okvir supervizije je fundamentalan. Mere za promociju kredita treba da budu praćene jačanjem finansijske supervizije, koja će biti spremna za nove instrumente i nove potencijalne probleme, kako se tržište razvija.
- Konkurencija između institucija je važna, takođe. Banke Latinske Amerike su tokom mnogo godina imale veće kamatne margine nego banke u ostalim regionima. Jača konkurencija bi pomogla da se ove margine suze i postoje razni koraci koji se u tom pravcu mogu preduzeti. Kretanje regulative u cilju olakšanja prenosivosti kredita i depozita, kao i omogućavanja zajedničkog korišćenja informacija o klijentu, može redukovati tržišnu snagu banke u korist njenih klijenata i pojačati transparentnost, što pogoduje potrošačima. Brazil je nedavno krenuo u ovom pravcu i međunarodno iskustvo, uključujući i moju zemlju, Španiju, pokazuje prinose od dividendi koje ove mere mogu doneti.
- Unapređenje pravnog okvira bi takođe jasno doprinelo progresu. Na primer, zemlje mogu usvojiti reforme regulatornog i pravnog okvira za sekjuritizaciju, podsticanje kolaterala, rezervisanja i zajedničko korišćenje kreditnih informacija, kao i promociju rejting agencija i kreditnih biroa.



Meksiko Siti, Berza

around one-third of the adult population has an account in a financial institution, compared with more than three-quarters of the population in industrial countries. Similarly, at the end of 2005, household credit in Latin America averaged about 9 percent of GDP, compared to rates of 12 percent in emerging Europe, 27 percent in emerging Asia, and 58 percent of GDP in more developed markets.

16. Clearly, the fundamental condition for the development of all credit markets, including household credit, is macroeconomic stability. We have learned time and again that credit markets will only take off when uncertainties about inflation, interest rates, and the exchange rate are reduced to reasonable levels. However, there are also steps that can also be taken at a more micro and institutional level to promote household credit and mortgage markets. Here there are welcome signs of progress in the region:

- Household credit in several countries, including Brazil, has been increasing rapidly due in large part to important institutional changes that have lowered loan-recovery risks and widened the range of credit vehicles.
- The effort in Brazil to develop technology that allows banks to partner with retailers and other point-of-sale locations also provides a successful model of how to expand access to financial services to new customers and less populated areas.
- The flow of workers remittances to Latin America offers a unique opportunity to widen the financial services net and meet the needs of this traditionally underserved population. Progress is being made in this area as banks become increasingly involved in facilitating the transfer of remittances into the region.
- Another clear lesson is for governments to avoid the temptation to direct commercial bank credit or excessively intervene in product design. Although the recent experience in the United States illustrates that regulators should require credit institutions to make adequate provisions for riskier forms of credit, such as negative amortization mortgages, it is just as important to avoid policies that limit the ability of financial intermediaries to effectively allocate credit to its most productive use.
- A strong supervisory framework is fundamental. Measures to promote credit should be accompanied by a strengthening of financial supervision, which should be alert to new instruments and new potential problems as markets evolve.



- Competition between institutions is important, too. Latin American banks have for many years had much higher interest margins than banks in other regions. Greater competition would help to narrow these margins and there are various steps that could be taken. The passage of regulations to ease the portability of credit and deposits as well as facilitate the sharing of client information can reduce banks' market power over their customers and enhance transparency, which benefits consumers. Brazil has recently moved in this direction and the international experience, including in my own country, Spain, illustrates the dividends that these types of measures can yield.
- Improving the legal environment would also clearly contribute to progress. For example, countries can adopt enabling reforms in the regulatory and legal frameworks for securitization, enforcement of collateral, provision and sharing of credit information, and promotion of rating agencies and credit bureaus.

17. At the same time, adequate protections for investors and borrowers should be put in place. Prudential regulation, based on the conventional

17. Istovremeno, trebalo bi usvojiti i adekvatne mere zaštite investitora i zajmoprimaca. Prudencijalna regulativa, bazirana na konvencionalnim alatima za rizikom ponderisanu adekvatnost kapitala, klasifikacija zajmova i zakonske odredbe predstavljaju minimalne zahteve zdravog sistema. U tom smislu, od vitalnog je značaja jasna alokacija regulatornih nadležnosti. Regulacija koju vrše vlasti na nacionalnom nivou može biti korisno dopunjena implementacijom kodeksa ponašanja koje bi razvile lokalne bankarske i finansijske organizacije, naročito u zemljama sa slabostima u javnom zakonodavstvu i sprovođenju zakona. Veoma je verovatno da će ovakvi mehanizmi biti naročito značajni u regulaciji novih instrumenata i tržišta.

18. Zemlje u razvoju mogu takođe ostvariti koristi od boljih pravila istina-u-kreditiranju (truth-in-lending) i veće finansijske edukacije. Trebalo bi ojačati transparentnost kreditiranja. To znači snabdevanje potrošača informacijama relevantnim za njihove izbore i to na dostupan način - na primer, koristeći sumarna obelodanjivanja jasnim jezikom. Finansijski savet bi spremno trebao biti dostupan od vlada i regulatornih agencija i - kao što je slučaj kod dugoročnijih projekata - vlade treba da streme ka finansijskoj edukaciji. Na primer, moja zemlja, Španija, je u cilju promocije finansijske edukacije takođe koristila internet veoma uspešno.

19. Sledeća važna oblast za razvoj su tržišta kapitala i korporativnih obveznica. Postoje brojni koraci koje vlade i regulatori mogu preduzeti u cilju povećanja tražnje i ponude takvih obveznica. Razvijanje dobro funkcionišućeg tržišta javnog duga omogućava uspostavljanje referentnih prinosa i pruža infrastrukturu koja bi mogla biti korišćena na drugim tržištima. Takođe, vlade mogu popustiti ograničenja penzionih fondova - koji su potencijalno glavni izvor tražnje. Na primer, Meksiko je popustio pravila koja zabranjuju privatnim penzionim fondovima donošenje investicionih odluka i ostale zemlje u regionu se takođe kreću u pravcu traganja za popuštanjem ograničenja na investiranje penzionih fondova u korporativne obveznice. Ostale reforme koje bi pomogle uključuju jačanje računovodstvenih standarda, jačanje transparentnosti i razjašnjenje i poboljšanje prava kreditora.



Rio de Žaneiro, Berza

20. Tržišta derivata mogu dati značajan doprinos upravljanju rizicima i diversifikaciji rizika. Mnoge zemlje u Latinskoj Americi nemaju tržišta derivata, a u drugima, mala dubina i često prenatrpane pozicije naglašavaju rizik oštre korekcije. Još jednom, jačanje regulatornih i pravnih okvira, kao i poboljšanja računovodstvenih pravila i obelodanjivanje kriterijuma, može povećati poverenje investitora i finansijskih institucija u korišćenje derivata. Na primer, Brazil ima najveća tržišta derivata u Latinskoj Americi i deo ovog uspeha može se pripisati njihovoj transparentnosti, kao i dobroj administraciji. Brazil je jedinstven slučaj kako među zemljama u razvoju, tako i među zrelim tržištima, po posedovanju zahteva za izveštavanjem za Over-The-Counter tržišta derivata. Otuda, supervizorima je dostupno više informacija nego na drugim tržištima. Brazilsko iskustvo pokazuje da dobro izveštavanje podataka i transparentnost na tržištima derivata nisu nemogući niti zabranjujuće skupi.

21. Dozvolite mi da sumiram. Moja centralna poruka je veoma jednostavna: finansijska tržišta postaju sve više značajna za ekonomski razvoj. Njihov kvalitet je ključna determinanta ekonomske stabilnosti zemlje i njenog uspeha u svetu finansijske globalizacije. Vlade, centralne banke, regulatori, i privatni sektor imaju ulogu da promovišu jaka, elastična i inovativna finansijska tržišta. Konferencije kao što je ova nude veliku mogućnost da se razmene ideje i gradi na najboljim iskustvima. Želim vam plodonosne diskusije u narednim danima. I zahvaljujem vam na pažnji ove večeri.

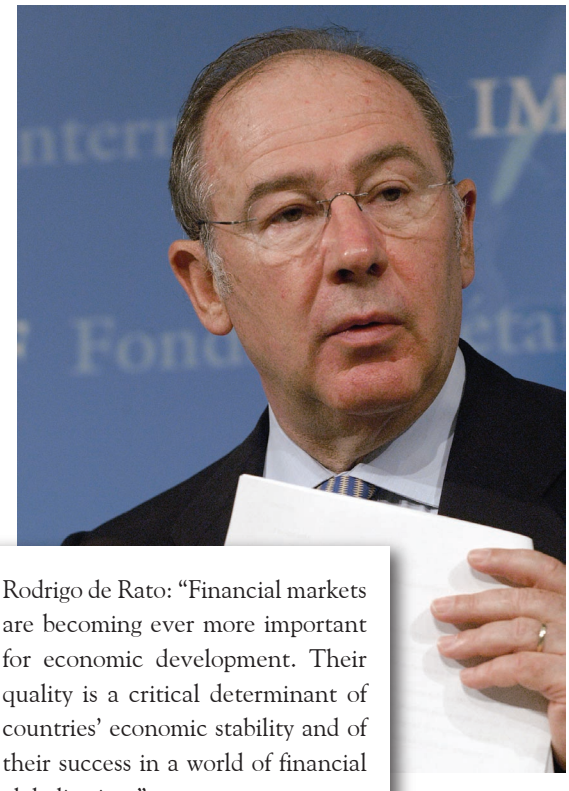
Prevod: mr Slađana Sredojević

tools of risk-weighting, capital adequacy, loan classification, and provisioning, is the minimum requirement for a healthy system. In this regard, a clear allocation of regulatory responsibilities is vital. Regulation by national authorities can also usefully be supplemented by implementing codes of conduct developed by local banking and financial organizations, especially in countries with weaknesses in public law and public enforcement. Such mechanisms are likely to be particularly important in regulating new instruments and markets.

18. Emerging economies can also benefit from better truth-in-lending rules and greater financial education. Transparency in lending should be encouraged. This means giving consumers information that is relevant to their choices and to do so in an accessible way for example, using summary disclosures in plain language. Financial advice should be readily available from governments and regulatory agencies, and, as a longer-term project,governments should pursue financial education. For example, my own country, Spain, has also used the internet very successfully to promote financial education.

19. Another important area for development is corporate bond and equity markets. There are a number of steps that governments and regulators can take to increase the demand for and supply of such bonds. Developing a well-functioning market for public debt helps establish benchmark yields and supplies infrastructure that can be used in other markets. Governments can also ease constraints on pension funds which are a potential major source of demand. For example, Mexico has relaxed the rules that restrict the investment decisions of privately-managed pension funds, and other countries in the region are also seeking to relax limits on pension fund investment in corporate bonds. Other reforms that would help include strengthening accounting standards, encouraging transparency, and clarifying and improving creditor rights.

20. Derivatives markets can make an important contribution to risk management and risk diversification. Many countries in Latin America do not have derivatives markets, and in others, little depth and often crowded positions accentuate the risk of a sharp correction. Once again, the strengthening of regulatory and legal frameworks, as well as improvements in accounting rules and disclosure requirements, can boost the confidence of investors and financial institutions in using derivatives. For example, Brazil has the largest derivatives markets in Latin America, and part of this success may be due to its transparency as well as to good administration. Brazil is unique among both emerging and mature market economies in having reporting requirements for over-the-counter derivatives markets. Consequently, broader information is available to supervisors than in other markets. The Brazilian experience shows that good data reporting and transparency are neither impossible nor prohibitively expensive in derivatives markets.



Rodrigo de Rato: "Financial markets are becoming ever more important for economic development. Their quality is a critical determinant of countries' economic stability and of their success in a world of financial globalization."

21. Let me now sum up. My central message is a simple one: financial markets are becoming ever more important for economic development. Their quality is a critical determinant of countries' economic stability and of their success in a world of financial globalization. Governments, central banks, regulators, and the private sector have a role to play in promoting strong, resilient, and innovative financial markets. Conferences such as this one offer a great opportunity to share ideas and to build on best practices. I wish you a fruitful conversation in the coming days. And I thank you for your attention tonight.