FOR A NEW EUROPEAN FISCAL FRAMEWORK

17 OCTOBER 2022
5:00-7:00PM

Bocconi University
Deutsche Bank Room
(AS02)
Via Röntgen 1
Milano

Please fill in the **REGISTRATION FORM** to attend in person.
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FOR INFORMATION
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The end of the pandemic emergency brings us to an economic situation characterized by high public debts, rising inflation, tightening monetary policy and the need of public intervention in infrastructure investments.

Addressing rising "fragmentation risk" is crucial in this scenario.

A structural potential solution is the establishment of a European Debt Agency (EDA) that raises liquid funds on the markets by issuing bonds and finances member states with infinite-term (perpetual) loans. The annual loan rate of each state reflects its fundamental risk, that is, the risk of default that corresponds to the possible deterioration of the fundamentals on which its economy is based. The cost for each state is a function of the market cost of the EDA issuing portfolio, plus a differential cost that reflects the specific creditworthiness of the state. The principle of non-mutualization also extends to the case of any "default" (failure to pay one or more installments) by a state.

The establishment of EDA would provide an efficient solution for the management of Eurozone public debts that avoids "debt mutualization" by leading to the creation of a "European safe asset" and to the disappearance of excessive spreads volatility on government bonds of peripheral Countries

4:30PM   REGISTRATION OF PARTICIPANTS

5:00PM   WELCOME ADDRESSES
GIANMARIO VERONA Rector, Bocconi University
ROBERTO PARAZZINI Chief Country Officer, Deutsche Bank in Italy and CEO, Deutsche Bank SpA

**CREATING A SAFE ASSET WITHOUT DEBT MUTUALIZATION:
THE OPPORTUNITY OF A EUROPEAN DEBT AGENCY**
CARLO FAVERO Deutsche Bank Chair in Asset Pricing and Quantitative Finance, Bocconi University

ROUND TABLE
VERONICA GUERRIERI Chicago Booth
GUIDO LORENZONI Northwestern University
CLEMENTE DE LUCIA Deutsche Bank Research
PHILIP LANE European Central Bank
Moderator
MASSIMO AMATO Bocconi University