

CESEE-Related Abstracts from Other OeNB Publications

The abstracts below alert readers to studies on CESEE topics in other OeNB publications. Please see www.oenb.at for the full-length versions of these studies.

Preserving Macroeconomic Stability in Serbia: Past Legacies, Present Dilemmas and Future Challenges

Sándor Gardó

In the course of the boom years from 2004 to 2008, Serbia accumulated sizeable macrofinancial imbalances, which made the country vulnerable to external shocks during the global crisis and rendered the process of crisis management more complex. As these vulnerabilities materialized, Serbia had to take recourse to international support, which helped stabilize the country's macrofinancial conditions. Some macrofinancial risks prevail, however, mainly with regard to fiscal and external sustainability. At the same time, financial stability concerns are mitigated by the banking system's high shock-absorption capacities, the strategically oriented presence of foreign banks and vigilant central bank action. A major future challenge will be to avoid a renewed rise in financial and external vulnerabilities. This calls for a prudent economic policy mix and increased efforts toward structural reform.

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