

SWF AS SPECIFIC FINANCE TOOL – NWF CASE STUDY

Summary

The beginning of twenty first century was contributing to the world of finance due to development and verifying new investment instruments as well as the investment vehicles. Some of these vehicles are sovereign health funds (SWFs). The following paper is describing the beginning and expansion of them from micro and macroeconomical point of view with some monetarist aspects as well as analyzing their (SWFs') innovativeness and potential for state's economical policy. The article contains a case study as well: sovereign wealth funds in Russian Federation.

Translated by Adam Adamczyk

CRISIS IN FINANCIAL STRUCTURE OF POLISH CORPORATIONS

Summary

The article presents a survey of changes in the capital structure of polish corporations. The aim of the article was to identify symptoms of a crisis. The author presumes that the financial structure of corporations will be modified as a result of several factors. These factors include more restrictive credit granting by banks, higher trade credit usage and payment problems.

Translated by Adam Adamczyk

USAGE OF FINANCIAL ANALYSIS IN A COMPANY'S CRISIS

Summary

The financial crisis, as a negative consequence of the company's operations and decision making process, likewise the adverse influence of the corporate surroundings, plays an important role in the cycle of the company's growth. Crisis determinants can be analysed in two groups: external factors, often independent from the company's decisions and internal factors, arising from its choices and attitudes. Financial analysis, by providing information used in the risk identification and threats reduction process, plays a significant role in assessing both reasons and sources of crisis, together with analysing types of decisions aiming at the financial balance restoration. This article presents major components of the financial analysis used in the process of appraising reasons and consequences of the company's crisis.

Translated by Joanna Blach

FINANCIAL CRISES AND DERIVATIVES

Summary

Derivatives play an important role in the economy, they are a tool to share risks in the economy and can thus provide a benefit to the economy. But also they are associated with risks to the financial system. The crisis has highlighted that these risks are particularly evident in the over-the-counter (OTC) part of the market, especially as regards credit default swaps (CDS). The financial crisis has demonstrated that they can also pose significant risks to financial stability. These are related to the exponential growth in derivatives over the last decade, increasing leverage and interconnectedness of financial institutions.

The first part of the article shows how using derivatives can cause default of big corporations. The second part is the discussion about the last financial crisis and the particular role of derivatives in this crisis.

Translated by Agnieszka Majewska

REACTIONS OF EUROPEAN COUNTRIES DURING THE CRISIS ON FINANCIAL MARKETS

Summary

Crisis on financial markets which started in 2007 year contributed to the most serious breakdown in the global economy in the last decades. It brought to the paralysis of the financial system and deep falls of prices on capital markets. In the next phase of the crisis we were witnesses of specific feedbacks between financial markets and the real sphere of the economy. A recession spread the world through. The centers of macroeconomic power had taken attempts of saving shrinking economies.

The aim of this paper is not only showing the methods of reaction European Countries to current problems of the economy in the phase of the crisis, but also to pay attention of the politicians, law-makers and managers on these issues, with the hope of including them in discussions on the implementation of new and used elsewhere solutions in the economic policy. The present situation is also a major challenge for the Polish economy, both for financial market participants, and the institution supervising their work. The que-

stion of how effective this assistance will be and what will be its long-term consequences for the economy remains a subject of study and debate among economists.

Translated by Ireneusz Miciuła

POLAND'S EXTERNAL IMBALANCE DURING THE GLOBAL FINANCIAL AND ECONOMIC CRISIS

Summary

The aim of the paper is to analyse the implications of the financial crisis for the Polish foreign debt. The author discusses the effects of the crisis observed in the Polish economy, and their impact on the size and structure of our external debt. In conclusion, the indicators showing to what extent the economy is burdened with external imbalance are analysed.

Translated by Halina Nakonieczna-Kisiel

GLOBAL FINANCIAL CRISIS. EPICENTER AND SECONDARY TURMOIL WAVES

Summary

Reasons of global financial crisis are associated with three joint cycles of: real estate market, credit market and production. Crisis complexity and range is determined generally by instability of money market and systemic important banks, because they are crucial for liquidity of financial systems.

Translated by Marek Zwolankowski

EFFECTIVENESS OF PRO-INNOVATION TAX INCENTIVES

Summary

Theory of economy and the empirical experience proves that innovation activity can affect the economical growth. Therefore it is very important to know if government can support this kind of activity. In the period of last twenty years a lot of countries started to use tax incentives to support innovation. The aim of the article was to verify thesis that tax incentives can affect the innovation activity of polish enterprises.

Translated by Adam Adamczyk

BUDGET REVENUES OF INDEPENDENT CITIES IN TIMES OF CRISIS

SELECTED ISSUES

Summary

The main subject of the present article is evaluating the current system of budget revenues in large independent cities in the light of their assigned objectives and possibilities of meeting them in time of crisis. Only two of the cities' objectives are considered: 1) revenues as an instrument to influence the development of cities; 2) revenue equalization among local self-government units.

A preferable solution in times of crisis is property tenure and rental of premises, as they involve the smallest risk related to the lowering of revenue.

The construction of a general subsidy, its compensatory and countervailing part in particular, is not adapted to the specificity of large cities. Due to horizontal redistribution, the analysed local self-government units are mainly burdened for communes and districts, which worsens their financial situation.

Translated by Joanna Przybylska

MULTI-YEAR BUDGETING IN POLAND AND OPERATIONAL FRAMEWORK FOR NEW PUBLIC MANAGEMENT

Summary

The article describes procedures of multi-year budgeting in Poland. Author presents the changes in the law on public finance in the context of the implementation of the rules of the new public management. The principal attention is paid to barriers associated with the use of the multi-year budgeting in current practice of Polish public finance.

Translated by Sławomir Franek

HEDGE FUNDS AS EXAMPLE OF ALTERNATIVE INVESTMENTS IN POLAND

Summary

Hedge funds have become one of the most important element of the capital market. Despite the unfavorable position of the polish regulatory KNF which firmly opposes the distribution of offshore funds in the polish market, local funds have been established. Their offers faced great demand and became a huge success. As a result Poland has become the target of foreign companies which tend to set hedge funds in Poland so that they can offer hedge fund products to polish investors.

The research in the polish capital market was carried in the period VI 06–VI 09. The conducted study implies that diversification of investment risk based on alternative assets is necessary, because they are weakly correlated (and in bear market most often negatively correlated) with traditional assets (stock index and currencies – euro, dolar) and another alternative assets (real estate market, gold).

Translated by Urszula Gieraltowska

**ANALYSIS OF UNPLANNED ALTERATIONS
OF EXPECTED MACROECONOMIC RATIOS
AND BUDGET EXPENDITURES FOR THE PERIOD 2005–2008 YEARS**

Summary

Analysis of unplanned alterations of expected macroeconomic ratios and budget expenditures for the period 2005 – 2008 years was performed. Results are indicating significant changes in 2008 year. It was the first consequence of financial crisis.

Translated by Teresa Lubińska

THE ANALYSIS OF IMPACT OF SELECTED FACTORS ON DEMOGRAPHIC RESERVE FUND'S DEMAND

Summary

The Demographic Reserve Fund, was called in accordance with legal act from November 11th 1998 about system of social security. The subject of this paper is a Demographic Reserve Fund (DRF). The goal of the paper is analysis, diagnosis and forecast of the Fund's demand on financial means caused by entering the retirement age by the generation of demographic explosion and increasing it by the process of population aging. The basis of this forecast are assumptions referring to the demographic, social and economic situation of the country. In particular these assumptions refer to: fertility, mortality, economic growth, earnings growth, migration, inflation, unemployment rate, structure of the population with respect to occupational groups and groups being beyond the labour force, indicators of valorisation of premiums and services paid from social security, etc.

Translated by Piotr Obidziński

METHODS OF ASSESSMENT OF MERGERS AND ACQUISITIONS BASED ON ACCOUNTING DATA

Summary

The paper presents the essence of the methodology of event study used in developed markets to evaluate post-acquisition operating performance based on the accounting data. In particular, the paper discusses the issues of measurement of abnormal operating returns. Researchers have applied several return ratios to measure benefits after transactions, and cash flow return is one of the recent ones. The change model and regression analysis have been used to compare and contrast the changes in the median and mean of the aggregated indicators after the transaction to their pre-merger values. At the end, the author has addressed the issue of contemporary tendencies in the described methodology.

Translated by Agnieszka Perepeczo

PERFORMANCE MEASUREMENT IN THE PUBLIC SECTOR

THE PRAXEOLOGICAL CONCEPTION

Summary

In the article was presented the proposed by the author conception performance measures built on basis praxeological of the formulation of performance. The proposal of the performance measures was introduced near this for the two-dimensional space (one input – one output – one result) and for the multidimensional space (l inputs – m outputs – n results). Introduced measures were built stay in the support about coefficients efficiencies and effectiveness. In the case the performance measurement in the multidimensional space introduced conceptions he the synthetic performance measure is leaning on the model of the CRS of the method DEA.

Translated by Tomasz Strąk