

# Discussion of “Global Safe Assets”

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The views expressed are my own and do not necessarily reflect those of the RBA

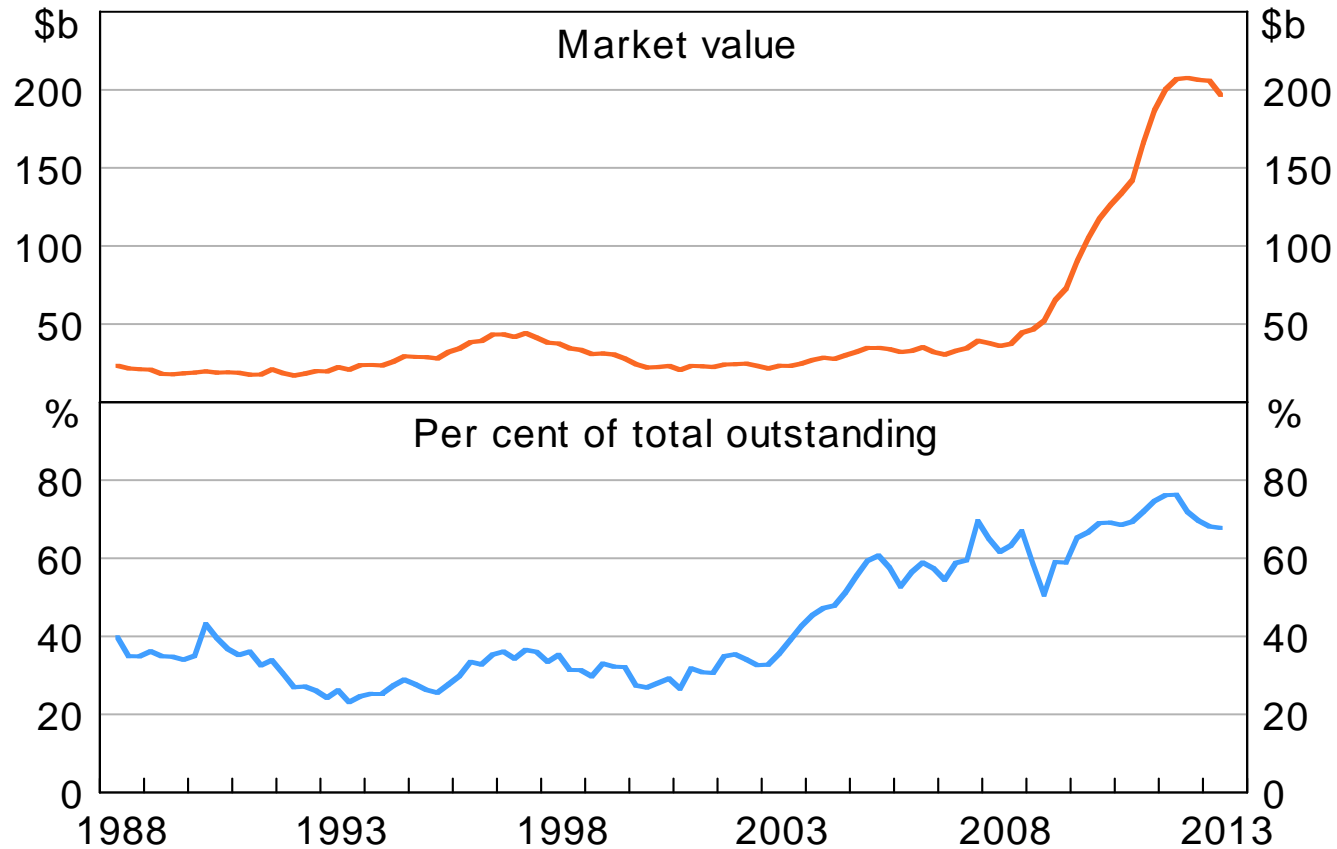
# Three points

- For which assets is there a shortage?
- What is the role of the central bank in the provision and maintenance of safe assets?
- Possible extensions

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## Non-resident Holdings of CGS



Sources: ABS; RBA

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- Central banks care about government debt markets for reasons besides bailing out the government
- Central banks provide liquidity in a variety of ways, which rarely include outright purchases of government debt at a fixed price

# Extensions

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- What does this all mean if you are a small open economy?