



# **Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business)**

*George M von Furstenberg*

[Download now](#)

[Click here](#) if your download doesn't start automatically

# Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business)

*George M von Furstenberg*

**Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business)** George M von Furstenberg

Contingent Convertibles (CoCos) represent debt that is subject to being converted automatically into common equity under pre-specified terms of conversion if the chosen regulatory capital ratio falls to a level triggering conversion. CoCos are that subspecies of contingent capital that references regulatory (Basel III) concepts in its triggers. From 2014, trigger points are set by common equity (Common Equity Tier 1 [CET1]) in percent of risk-weighted assets [RWA] or of more complicated measures of total exposure to a variety of risks, particularly credit risk. This is the first comprehensive book on CoCos, an innovative instrument that has attracted growing attention since it was first issued in 2009.

The book is mostly concerned with going-concern ‘recovery-’ rather than ‘resolution-’ CoCos, because avoiding failure and costly disruption of financial networks without government financing is the first order of business. CoCos hold a high promise of providing fully loss-absorbing equity capital when it is most needed and least available to financial institutions. Yet, having grown out of the 2007–2009 financial crisis, they are still an ‘infant’ reform instrument in many respects. Few of the instrument's design features (or even the rating, regulatory, and tax treatments) are entirely settled. This book seeks to move the discussion toward, and then past, the main decision points so that CoCos can prove their value for contingency planning and self-insurance all over the world. It is intended to increase the ability of issuers and investors to analyze and understand the different kinds of CoCos.

## **Contents:**

### • ***Foundations:***

- Introduction
- Overview of Basel III Implementation Most Relevant for Cocos
- Cocos and the Struggle to Preserve Going-Concern Value
- The Treatment of TBTF Financial Institutions in the Last Crisis
- Strategic Policy Objectives in Privatizing the TBTF Backstop

### • ***Why Cocos?:***

- High-Trigger Cocos Compared with Other Bailinable Debt
- Self-Insurance with Cocos Compared to Common Equity
- Automatic Cocos Conversion vs. Voluntary Restructuring
- Reasons for Having Cocos Liabilities on the Balance Sheet

### • ***Varieties of Cocos Design and Rationales:***

- Determining Conversion Price and Risk Premium in Cocos
- Write-Down-Only Cocos
- Actual or Prospective Recovery Rates from Converting Cocos

- Government Capital Injections and Bailout Cocos
- Misuses of Cocos in Government-Led Recapitalizations of Banks

- ***Policy Choices and Essentials for Cocos' Success:***

- The Tax Treatment of the Interest Paid on Cocos
- Major Credit Rating Agencies' Approaches to Rating Cocos
- Regulatory Requirements at Cross-Purposes
- Conclusions and Recommendations for Cocos Design and Evaluations

**Readership:** Researchers in Banking, Finance, and Financial Service, Finance Professionals, Law Firms, Accounting, and Financial-Consulting Firms; Portfolio and Wealth Management Specialists; Fixed-Income Investors and Fund Managers; Government Regulators of Financial Services; Libraries and Members of Research and Capital Markets Divisions at National and International Financial Institutions.

 [Download Contingent Convertibles \[CoCos\] : A Potent Instrument f ...pdf](#)

 [Read Online Contingent Convertibles \[CoCos\] : A Potent Instrument ...pdf](#)

**Download and Read Free Online Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) George M von Furstenberg**

---

## **Download and Read Free Online Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) George M von Furstenberg**

---

### **From reader reviews:**

#### **James Lapham:**

The book Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) can give more knowledge and information about everything you want. So why must we leave the best thing like a book Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business)? Some of you have a different opinion about book. But one aim which book can give many info for us. It is absolutely right. Right now, try to closer together with your book. Knowledge or info that you take for that, you may give for each other; you are able to share all of these. Book Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) has simple shape however you know: it has great and big function for you. You can appearance the enormous world by start and read a e-book. So it is very wonderful.

#### **Mary Manzo:**

This Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) tend to be reliable for you who want to be a successful person, why. The reason why of this Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) can be one of many great books you must have is usually giving you more than just simple reading food but feed you actually with information that maybe will shock your previous knowledge. This book will be handy, you can bring it all over the place and whenever your conditions at e-book and printed ones. Beside that this Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) forcing you to have an enormous of experience for example rich vocabulary, giving you trial run of critical thinking that we all know it useful in your day pastime. So , let's have it appreciate reading.

#### **Merry Springs:**

The reserve with title Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) includes a lot of information that you can find out it. You can get a lot of help after read this book. This kind of book exist new expertise the information that exist in this book represented the condition of the world today. That is important to yo7u to be aware of how the improvement of the world. This particular book will bring you within new era of the internationalization. You can read the e-book on the smart phone, so you can read the idea anywhere you want.

#### **Terry Crabtree:**

Many people spending their time period by playing outside using friends, fun activity together with family or just watching TV 24 hours a day. You can have new activity to enjoy your whole day by reading a book. Ugh, do you consider reading a book will surely hard because you have to use the book everywhere? It okay

you can have the e-book, getting everywhere you want in your Smartphone. Like Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) which is finding the e-book version. So , try out this book? Let's observe.

**Download and Read Online Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) George M von Furstenberg #HKIV934E5WF**

# **Read Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) by George M von Furstenberg for online ebook**

Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) by George M von Furstenberg Free PDF d0wnl0ad, audio books, books to read, good books to read, cheap books, good books, online books, books online, book reviews epub, read books online, books to read online, online library, greatbooks to read, PDF best books to read, top books to read Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) by George M von Furstenberg books to read online.

## **Online Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) by George M von Furstenberg ebook PDF download**

### **Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) by George M von Furstenberg Doc**

Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) by George M von Furstenberg Mobipocket

Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) by George M von Furstenberg EPub

Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) by George M von Furstenberg Ebook online

Contingent Convertibles [CoCos] : A Potent Instrument for Financial Reform (World Scientific-Now Publishers Series in Business) by George M von Furstenberg Ebook PDF