Language

Abstract

~~2~~~~nd~~ ~~sentence. This sentence is too long. It should be two sentences.~~

~~4~~~~th~~ ~~sentence. “This means that investors expect central banks in emerging markets to follow the monetary stance in the U.S. …” No it doesn’t. In the sentence, “This” refers to the previous sentence, which simply says monetary policy changes “influence” all three components. Only later in the 4~~~~th~~ ~~sentence does the reader learn that the policy rate expectations move in the same direction.~~

5th sentence. This sentence mixes two ideas and neither is clear. “…compensation they demand to hold long term bonds …” Here you mean “risk compensation for holding long term bonds …” About “… compensation against default.” Here your meaning is not clear to the reader – do you mean compensation for risk or compensation for expected defaults? Be clear.

Introduction

~~1~~~~st~~ ~~sentence. The first “its” refers to U.S. monetary policy, which has no borders. The U.S. has borders. The later “it” correctly refers to U.S. monetary policy. Better is “ …U.S. monetary policy has worldwide consequences, but …”~~

~~2~~~~nd~~ ~~sentence. Doesn’t make sense. If these countries did not play increasingly important roles, would we not care about the answers to the questions you are studying?~~

~~4~~~~th~~ ~~sentence. “Not so long ago, they used to issue bonds at …” Here, “used to” is implied by the past reference of “not so long ago.” Better to write “Not so long ago, they issued bonds at …”~~

~~4~~~~th~~ ~~sentence. As a general rule, do not use acronyms in an introduction unless the general reader is familiar with them. I recommend writing out LC throughout the introduction, then define the acronym after the introduction.~~

~~8~~~~th~~ ~~sentence. “Yield decompositions provide valuable information because they compensate investors for bearing risks.” This sentence says a mathematical result compensates investors. No—yield decompositions allow us to~~ *~~measure~~* ~~this compensation.~~

9th sentence. “…an expected future short-term interest rate, …” No. “…a sum of expected future short-term interest rates,” …

10th sentence. “This last component is a characteristic of emerging markets…” This sentence appears to ignore the literature on the default risk of developed countries. For example, Duffie and Singleton have an old paper in the JF that infers default risk on Russian debt from a no-arb model. Mike Chernov has papers on default risk of U.S. debt. Better to say that default risk is an important component of debt issued by some emerging markets, and the literature on term structures of emerging market bond yields does not examine this risk systematically.

11th sentence. “The credit risk premium acknowledges that not all sovereign bonds are equal.” But as long as the debt is in local currency, not all sovereign bonds are equal even if there is zero credit risk. Inflation risk differs across emerging markets. This sentence doesn’t seem to do anything good for you.

12th sentence. “Contrary to the debt issued by advanced countries, international investors demand …” The syntax of this sentence compares “debt” to “investors,” which is not what you mean. Even if you fix the syntax, as I note above, there is a literature on credit risk in developed market sovereign debt.

I could go on, but you get the idea. Go over every single sentence in the abstract and introduction. Each sentence needs to be crystal clear. Each paragraph needs to make a point. You are not just selling your ideas on the job market. You are selling your ability to communicate clearly and precisely.