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This study uses a panel-data framework to identify the determinants of the spread over US Treasuries of emerging market sovereign issues as well as of the creditworthiness of the issuers, where the latter is represented by the Institutional Investor's creditworthiness index. We use a sample of 16 emerging market economies, together with time series data for the period 1998 to 2002 when analysing the spread, and from 1987 to 2001 when analysing the creditworthiness. The results suggest that for both the spread and the creditworthiness, significant explanatory variables include the economic growth rate, the debt-to-GDP ratio, the reserves-to-GDP ratio, and the debt-to-exports ratio. In addition, the spread is also determined by the exports-to-GDP ratio, and the debt service to GDP, while the creditworthiness is

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influenced by the inflation rate and a default dummy variable.