

***Emergence of a Monetary Euro Block :
Dynamic Model Analysis***

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The subject of our paper is the possibility of formation of a “Monetary Block Euro” composed by the EU and the close countries. Through a dynamic modelling, we studies monetary anchor at court term of the national currencies. All countries use Euro as international anchor with different share according to region : closest countries to Europe consider Euro more than those distant.

A prolongation of our study in the long term uses ECM modelling, in particular relation of Cointegration. Two formulations are used : the first one of Engle & Granger (1987) representing the connection between two countries, the second one of Johansen (1991) analyse the relations of Cointegration between all the countries. The results obtained not allow us to conclude the existence of Euro Block. We notice either that multiple sub-groups of country privileging the Euro in their economic transactions : the role of Euro in cointegration relations found is rather weak.