

The International Banking Library (IBL)

is a web-based platform for the exchange of research on cross-border banking. The IBL-Newsletter addresses researchers working on topics related to international banking, and provides the latest updates on new research and conferences in the field.

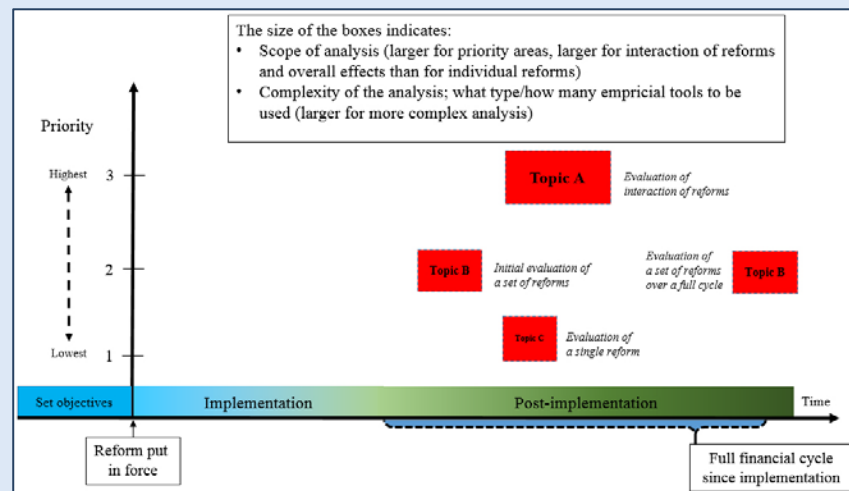
The second issue of 2017 features information on the Financial Stability Board (FSB) consultation paper on an **evaluation framework of the G20 financial regulatory reforms**.

FSB proposes an evaluation framework for the G20 financial regulatory reforms

With many core reforms within the **G20 agenda underway**, initial analysis of the effects of these interventions is becoming possible. The FSB decided in 2016 to develop a structured framework for the evaluation of regulatory reforms. The FSB recently published the main elements of this evaluation framework **calling for public consultation**. Comments and responses to the questions set out in document are welcome by 11 May 2017.

Editors' Note: If you found this newsletter in your junk-mail folder, please **contact** us to give us the chance to resolve the problem.

FSB Evaluation Framework for the G20 Financial Regulatory Reforms



Source: FSB, Proposed Framework for Post-Implementation Evaluation of the Effects of the G20 Financial Regulatory Reforms, Figure 1.

At the Research Frontier

What's new in international banking?

Quarterly Selected Study

The Editors' Pick

- **International Spillovers and Local Credit Cycles**

Yusuf Soner Baskaya, Julian di Giovanni, Sebnem Kalemli-Ozcan and Mehmet Fatih Ulu
NBER Working Paper 23149

- **Global Banking: Risk Taking and Competition**

Ester Faia and Gianmarco Ottaviano
CEPR Working Paper No. 11940

- **The Currency Dimension of the Bank Lending Channel in International Monetary Transmission**

Előd Takáts and Judit Temesvary
BIS Working Paper No. 600

- **The Role of Foreign Banks in Trade**

Stijn Claessens, Omar Hassib and Neeltje van Horen – BoE Staff Working Paper No. 656

- **Research Question:**

Does the presence of **foreign banks** facilitate **trade** between countries?

- **Data:**

Data on the presence of foreign banks is obtained from the Claessens and van Horen (2015) **Bank Ownership Database**, while balance sheet data is provided by **Bankscope**. Bilateral trade is computed from the **UN COMTRADE** database. **Compustat** data on US listed firms is used to determine an industry-level proxy for financial dependence. The panel consists of bilateral trade data on 28 industries in 99 exporting countries hosting banks from 117 countries for the period 1995-2007.

- **Contributions and Results:**

Foreign banks' presence **positively affects trade** via two main channels: an increase in exporters' available financing and a reduction in information asymmetries. This result is driven by the subsample of **emerging countries** and becomes stronger if foreign banks are headquartered in the importing country. Using a large subset of countries, the paper documents that a globalized banking system can foster international trade.

Articles and Posts

Latest Updates

- **New historical database on cross-border capital flows**

Graciela L. Kaminsky developed a new historical database on cross-border capital flows. The data includes granular information on the **issuance of bonds and shares** in international capital markets for the period between 1820 and 1930. Focusing on **Latin American countries**, the database further includes data on economic fundamentals for the same period.

- **Vox article on global "waves" of banking crises**

The article summarizes the results of a study by Ambrogio Cesa-Bianchi and co-authors on the **effect of global credit cycles** on the probability of local banking crises. The results highlight that the existence of a global cycle in domestic credit provides a strong rationale for the correlation of banking crises across the globe.

- **Stanley Fischer on the global transmission of monetary policy**

The Vice Chairman of the Fed's Board of Governors presented a speech during the recent **IBRN-IMF Conference** on the Transmission of Macroprudential and Monetary Policies Across Borders. The speech discusses **countries' responses** to the ongoing normalization of the **Fed's policy rates**.

Research Agenda

Forthcoming Conferences

- **9th BAFFI CAREFIN International Banking Conference "Banking and Financial Regulation"**

Milan, October 9, 2017

BAFFI CAREFIN Centre at the Università Bocconi

Deadline CfP: **May 15, 2017**

- **1st Annual Meeting of the CEBRA's International Finance and Macroeconomics Program**

London, October 19-20, 2017

CEBRA and Bank of England

Deadline CfP: **May 15, 2017**

- **Joint ECB and MNB Research Workshop on "Macroprudential instruments: effectiveness and interactions"**

Budapest, July 10, 2017

ECB and Magyar Nemzeti Bank (MNB)

Deadline CfP: **May 19, 2017**