

## The International Banking Library (IBL)

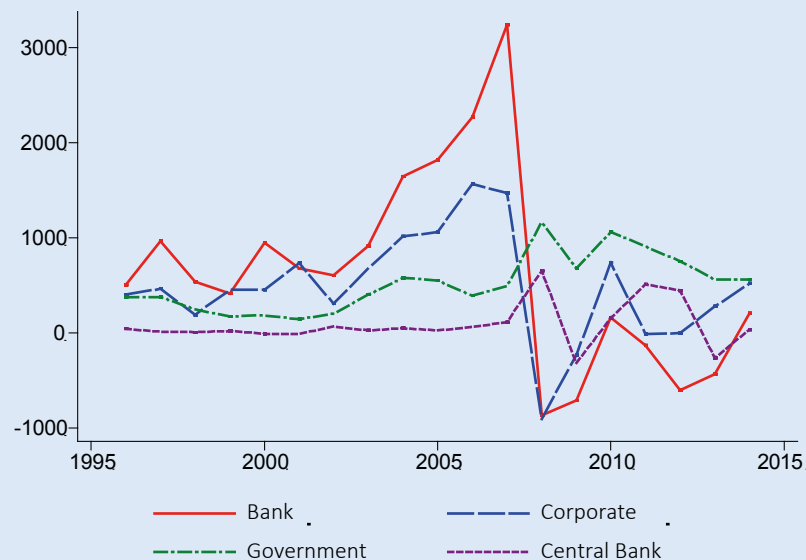
is a web-based platform for the exchange of research on cross-border banking. The IBL-Newsletter addresses researchers working on topics related to international banking, and provides the latest updates on new research and conferences in the field.

The first issue of 2017 comes with new data on international capital flows and empirical evidence on cross-border prudential policy spillovers.

## Gross Capital Inflows to Banks, Corporates and Sovereigns

A new data set documents gross capital inflows for 85 countries during 1996-2014 on a quarterly basis, decomposed by borrower type. The figure on the right shows the evolution of the aggregate debt inflows by sector for a group of 25 advanced economies. The graph reveals the buildup and collapse of financial flows surrounding the recent financial crisis by sectors of recipient. Additional graphs in the paper show the rebound of financial inflows for emerging and developing countries after the crisis compared to the persistently low levels for advanced economies.

## Aggregate External Debt Inflows, Billions 1996 USD



**Source:** Stefan Avdjiev, Bryan Hardy, Sebnem Kalemli-Ozcan and Luis Servén (2017). Gross Capital Inflows to Banks, Corporates and Sovereigns. NBER Working Paper No. 23116.

# At the Research Frontier

## What's new in international banking?

# Quarterly Selected Study

## The Editors' Pick

- **Foreign Banks and International Transmission of Monetary Policy: Evidence from the Syndicated Loan Market**

Asli Demirgüç-Kunt, Bálint L. Horváth  
and Harry Huizinga

World Bank Policy Research Working Paper 7937

- **Resolution of International Banks: Can Smaller Countries Cope?**

Dirk Schoenmaker

CEPR Working Paper No. 11600

- **Real Effects of Capital Inflows in Emerging Markets**

Deniz Igan, Ali M. Kutan and Ali Mirzaei

IMF Working Papers No. 16/235

- **Cross-Border Prudential Policy Spillovers: How Much? How Important? Evidence from the International Banking Research Network**

Claudia M. Buch and Linda Goldberg - NBER Working Paper No. 22874

- **Research Question:**

Do changes in prudential policies result in cross-country spillovers by affecting bank lending growth?

- **Data:**

The study combines quarterly information on policy changes from the Prudential Instruments Database compiled by the IMF and IBRN with national regulatory micro banking data including international positions for 65 countries and a sample period from 2000 to 2014.

- **Contributions and Results:**

This meta analysis of a collective effort of 15 central banks and two international institutions finds evidence for spillovers of prudential policy changes through bank lending, which vary across policy instruments and bank type. The sign and magnitude of the effects also depend on bank-specific factors. Overall, the spillover effects of policy changes on domestic lending growth rates seem to be small on average.

# Articles and Posts

## Latest Updates

- **The current state and future challenges of financial regulation**

This VoxEU column argues that the newly evolved regulation of financial markets does not account enough for macroprudential risks, is insufficient in dealing with failing global financial institutions, and might have become too complex.

- **BIS Quarterly Review**

Central clearing of over-the-counter interest rate derivatives increased its share to 75% in mid 2016 as shown by new BIS data. Also, the BIS locational banking statistics now include China and Russia as additional reporting countries.

- **The Palgrave Handbook of European Banking**

This collection comprises relevant studies on the development, structure and regulatory architecture of European banking as well as policy discussions.

# Research Agenda

## Forthcoming Conferences

- **First Conference on Financial Stability**

Madrid, 24-25 May 2017

Banco de España together with Centro de Estudios Monetarios y Financieros (CEMFI)

Deadline CfP: February 28, 2017

- **1st FENS Workshop "Financial Economics and Network Science"**

London, May 19, 2017

University of Greenwich - Department of International Business and Economics

Deadline CfP: April 16, 2017

- **3rd IWH-FIN-FIRE Workshop on "Challenges to Financial Stability"**

Halle, August 28 - 29, 2017

The Halle Institute for Economic Research (IWH) and the FIRE research center at Frankfurt School of Finance & Management

Deadline CfP: April 28, 2017