

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.

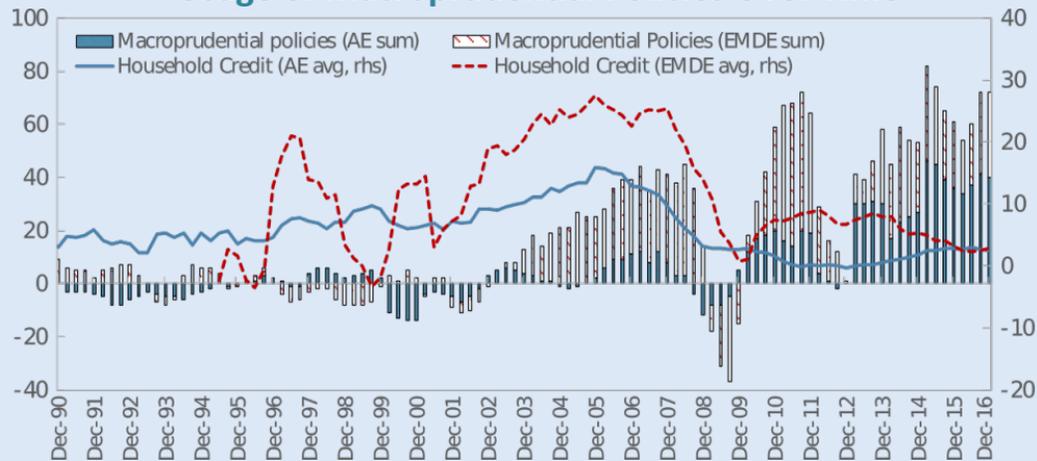
The second issue of 2019 features information about the effect of FX interventions on domestic credit and a new macroprudential data set.

Digging Deeper - Evidence on the Effects of Macroprudential Policies from a New Database

Alam et al. (2019) examine the non-linear effects of loan-to-value ratios on household credit and consumption and present a newly compiled data set for 17 categories of macroprudential policy instruments and their sub-categories, covering the years 1990-2016 for 134 countries, which will be updated annually. The graph on the left shows the development of the use of macroprudential policies over time.

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Usage of Macroprudential Policies Over Time



The bars indicate the cumulative sum of the net number of tightening actions of any macroprudential policy instrument over the current and past three quarters and the lines indicate the average household credit growth. AE = advanced economies and EMDE = emerging market and developing economies.

Source: Alam, Zohair; Alter, Adrian; Eiseman, Jesse; Gelos, G. R.; Kang, Heedon; Narita, Machiko; Nier, Erlend; Wang, Naixi (2019). Digging Deeper - Evidence on the Effects of Macroprudential Policies from a New Database. IMF Working Paper No. 19/66, Fig. 4, p. 10.

- **Stress Testing Networks: The Case of Central Counterparties**

Richard B. Berner, Stephen G. Cecchetti and Kermit L. Schoenholtz
NBER Working Paper No. 25686

- **Freeze! Financial Sanctions and Bank Responses**

Matthias Efing, Stefan Goldbach and Volker Nitsch
CESifo Working Paper No. 7424

- **Capital Flows: The Role of Bank and Nonbank Balance Sheets**

Yuko Hashimoto and Signe Krogstrup
IMF Working Paper No. 19/85

FX Intervention and Domestic Credit: Evidence from High-Frequency Micro Data

Boris Hofmann, Hyun Song Shin and Mauricio Villamizar-Villegas
BIS Working Paper No. 774

- **Research Questions:** Can central banks lean against capital inflows through sterilized exchange interventions? What are the effects of sterilized foreign exchange interventions by central banks on domestic bank credit and capital inflows?
- **Data:** The authors use unique daily data on foreign exchange interventions and sterilization operations by the Colombian central bank. They match this data with credit registry information on new loans and bank-level data provided by the Colombian Financial Superintendency. The sample covers the period of 2002 to 2015.
- **Main findings:** Sterilized exchange rate interventions by central banks can be successful to slow credit growth in times when capital inflows are high and lead to exchange rate appreciation. These effects are stronger for banks with weaker balance sheets.

Articles and Posts

Latest Updates

- **International Capital Flow Pressures**

In this online video New York FED's Linda Goldberg briefly summarizes her joint work with Signe Krogstrup on an index measuring exchange market pressure and its differential effects on capital flows for emerging and advanced countries.

- **New Financial Research Online Repository**

The BIS launched FRAME, an online repository of studies on the effects of financial regulations aimed at sharing and keeping track of the most recent research findings.

- **Special Issue on International Spillovers**

The Journal of International Money and Finance published a special issue on international spillovers of monetary policy through global banks with an introduction by Claudia Buch, Matthieu Bussière, Menzie Chinn, Linda Goldberg and Robert Hills.

Research Agenda

Forthcoming Conferences

- **Financial Intermediation in a Globalized World**

Frankfurt, Germany, October 24-25, 2019
Deutsche Bundesbank, IWH, ECONtribute, CEPR
Deadline CfP: **May 31, 2019**

- **18th International Conference on Credit Risk Evaluation
Assessing and Managing Climate Change Risk**

Venice, Italy, September 26-27, 2019
GRETA Associati
Deadline CfP: **May 31, 2019**

- **Joint BIS/CGFS Workshop—Research on global financial stability: the use of BIS international banking and financial statistics**

Basel, Switzerland, December 12, 2019
Bank for International Settlements (BIS), Committee on the Global Financial System (CGFS)
Deadline CfP: **July 31, 2019**