

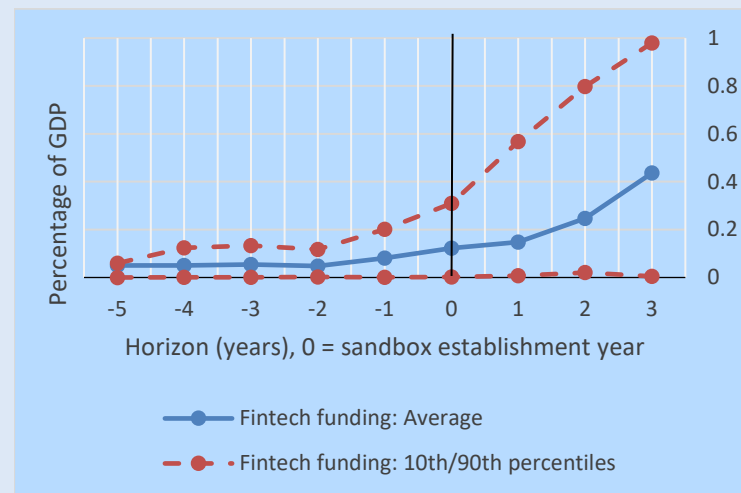
The International Banking Library (IBL)

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 fourth issue of 2021 focuses on macroprudential policy during COVID-19, data on banking-crisis interventions, and the increasing funding for fintechs.

Funding for fintechs: patterns and drivers

In this September's BIS Quarterly Review, G. Cornelli, S. Doerr, L. Franco and J. Frost explore trends in equity funding for financial technology firms (fintechs) while evaluating the role of country-specific drivers like regulation. They find that fintechs have raised over \$1 trillion funds globally since 2010. The investment portfolio has become more diverse, both geographically and across market segments. Equity funding for fintechs is, for example, higher in countries with greater innovation ability, as well as regulatory sandboxes are of special importance. The graph on the right illustrates the impact of the establishment of a sandbox on the ratio of fintech investment to GDP for the average country.

Regulatory sandboxes increase funding for fintechs



Source: Adapted from BIS (2021). Funding for fintechs: patterns and drivers. Retrieved from https://www.bis.org/publ/qtrpdf/r_qt2109c.htm

At the Research Frontier

What's new in international banking?

- **Learning in Bank Runs**

Eva Schliephake, Joel Shapiro
CEPR Discussion Paper 16581

- **Does Political Partisanship Cross Borders? Evidence from International Capital Flows**

Elisabeth Kempf, Mancy Luo, Larissa Schaefer,
Margarita Tsoutsoura
NBER Working Paper 29280

- **Dash for dollars**

Ambrogio Cesa-Bianchi, Fernando Eguren-
Martin
BoE Staff Working Paper No. 932

Macroprudential Policy during COVID-19: The Role of Policy Space

Katharina Bergant, Kristin Forbes | CEPR Discussion Paper 16607

- **Research Question:** How did countries adjust macroprudential policy in response to the COVID-19 shock? Did the use of macroprudential tools mitigate the shock? Did adjusted macroprudential policy affect the use of other policies?
- **Data:** Cross-country data tracking macroprudential policy adjustments in response to COVID-19, provided by the IMF Policy Tracker.
- **Main Findings:** The evidence from the initial phase of the COVID-19 pandemic suggests that macroprudential tools have been employed as intended with a loosening during the pandemic. According to the findings, countries that had built greater macroprudential “policy space” (by tightening more aggressively prior to COVID-19) were able to loosen more actively in response to the negative shock, thus mitigating economic and financial stress. Moreover, the countercyclical use of macroprudential policies did not conflict with other policy tools such as fiscal policy.

Articles and Posts

Latest Updates

- **One-stop source for inflation: Introducing a new database**

This VoxEU column provides an expanded global database on multiple measures of inflation for up to 196 countries from 1970 to 2021. The multi-decade evolution of inflation is depicted, global inflation during global recessions is analyzed as well as inflation synchronization across countries over time.

- **Banking-Crisis Intervention Database**

The Metrick-Schmelzing database provides data on banking-crisis interventions across 138 countries since the 13th century. Over the centuries, the data suggests a progressive change towards a more prominent role of capital injections and expanded guarantees for bank debt. From at least the late 17th century, the frequency and scale of interventions have gradually increased.

- **IBRN prudential instruments database: Update**

The database provides quarterly data (from 2000Q1 to 2018Q4) on intensity changes in the usage of several prudential instruments, including capital buffers, interbank exposure limits, concentration limits, loan to value (LTV) ratio caps, and reserve requirements. Its coverage has recently been updated to 2018.

Research Agenda

Forthcoming Conferences

- **2022 RCFS Winter Conference**

Florida, U.S. | February 19-20, 2022
Society for Financial Studies
CfP deadline: November 19, 2021

- **2nd Finance and Productivity (FINPRO) Conference**

Halle (Saale), Germany | May 5-6, 2022
Competitiveness Research Network, European Bank for Reconstruction and Development, and Halle Institute for Economic Research
CfP deadline: January 14, 2022

- **1st Edinburgh Conference on the Economics of Financial Technology**

Edinburgh, Scotland, UK | May 11-13, 2022
Edinburgh Futures Institute, University of Edinburgh
CfP deadline: January 7, 2022