

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 2022 congratulates the International Banking Research Network, highlights new research on global banking and asks for suggestions regarding studies on the pricing of climate risks.

Data Updates

Two key datasets useful for research on financial integration have been updated:

- The [Chinn-Ito Financial Openness Index](#) has been updated to 2020. It informs about countries' financial openness, whereas there is little evidence for a change in openness over the past decade.
- The [External Wealth of Nations database](#) has been updated to 2021. The dataset contains information on economies' external claims and liabilities such that rankings of net debtors and creditors can be established.

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

International Banking Research Network



Source: <https://www.newyorkfed.org/ibrn>

We congratulate the International Banking Research Network for its 10th anniversary!

Central bankers around the world have worked together on relevant questions to learn more about the role of internationally active banks in transmitting different types of shocks. Recent work on bank complexity has been published in the [Journal of Banking & Finance](#). We are looking forward to further insights produced by the network members!

At the Research Frontier

What's new in international banking?

- **Mapping banking centres globally since 1970**

Emmanuel Mourlon-Druol, Aliénor Cameron
Working Paper 12/2022, Bruegel

- **Stress tests and capital requirement disclosures: do they impact banks' lending and risk-taking decisions?**

Paul Konietschke, Steven Ongena, Aurea Ponte Marques
ECB Working Paper Series No 2679 / July 2022

- **Macroprudential policy with earnings-based borrowing constraints**

Thomas Drechsel, Seho Kim
CEPR Discussion Paper No. 17561

Trade Uncertainty and U.S. Bank Lending

Ricardo Correa, Julian di Giovanni, Linda S. Goldberg, Camelia Minoiu | Available at SSRN

- **Research Question:** What is the role of trade uncertainty and observed changes in trade policy for U.S. banks' lending decisions?
- **Data:** Quarterly data obtained from the annual stress test required by the Dodd-Frank Act (FR Y-14Q H1 "Wholesale credit schedule"). Hassan et al. (2019) firm-level estimates of trade uncertainty.
- **Main Findings:** The paper finds that banks contract lending to firms in sectors more exposed to trade uncertainty. This contraction of credit has several dimensions: for example, constrained banks and banks with a business model supporting global trade contract credit by more. Trade finance plays an important role in that respect. Additionally, firm traits matter: firms that are more reliant on imported intermediate goods see a more severe decline in loans once their creditors are exposed to trade uncertainty.

Articles and Posts

Latest Updates

- **Bank funding: evolution, stability and the role of foreign offices**

This article is part of the BIS Quarterly Review and discusses how the Covid pandemic and the war in Ukraine have further shaped fragmentation in global banking activities. For example, the share of foreign banking offices is declining, which increases concentration in local banking systems.

- **EU Non-bank Financial Intermediation Risk Monitor 2022**

The report summarizes main developments and risks associated with investment funds and other financial institutions (OFIs) in the European Union (EU). The assets of these EU entities grew by 9% in 2021. Future risks might stem from interest rate increases and asset re-evaluations, upcoming liquidity strains and excessive use of leverage.

- **Call for Suggestions on Climate Pricing Studies**

Galina Hale and Bhavyaa Sharma from UC Santa Cruz are working on a meta-analysis paper of climate risk pricing. If you can suggest papers they should include in the meta-analysis, please suggest them via this [form](#).

Research Agenda

Forthcoming Conferences

- **Financial Intermediation Research Society**

Vancouver, Canada | June 2 - 4, 2023

FIRS

CfP deadline: November 20, 2022

- **New Digital Technologies and the Future Financial Landscape**

London, UK | February 27 - 28, 2023

Bank of England (BEAR)

CfP deadline: November 13, 2022

- **6th Annual Columbia/BPI Bank Regulation Research Conference**

New York City, USA | March 1, 2023

Columbia University/Bank Policy Institute

CfP deadline: November 15, 2022