International Banking Library
Hosted by the Halle Institute for Economic Research

**IBL Quarterly Newsletter**
**N°42 May 2025**
IWH - Halle Institute for Economic Research

**Contact**
bankinglibrary@iwh-halle.de
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## 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 **42nd issue** of the newsletter presents new insights on cross-border lending, regulation and diversification. It also highlights two novel datasets: one on central bank speeches, and another offering a comprehensive country-level database on macroeconomic variables.

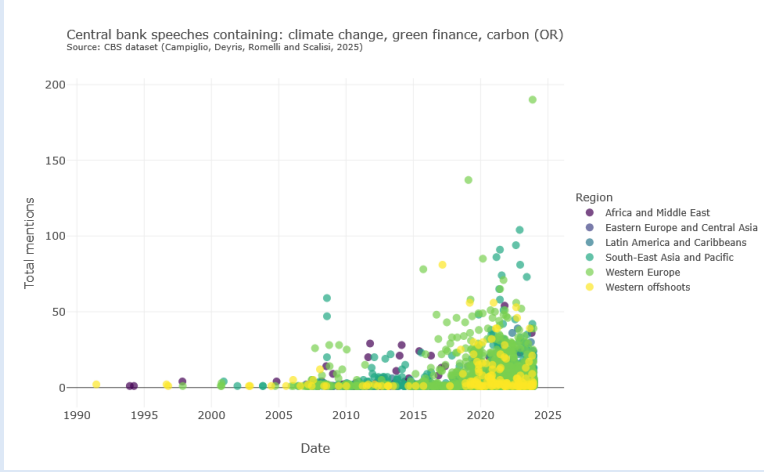
## Dataset of central banker speeches

The graph on the right shows how frequently central banks across different regions have mentioned in their speeches terms such as “climate change”, “green finance” or “carbon” based on the CBS dataset compiled by Campiglio, Deyris, Romelli, and Scalisi. The dataset includes 35,487 unique speeches from 131 central banks, spanning the period from 1986 to 2023. The chart, created using their interactive app, reveals a significant increase in references to climate-related topics in recent years. The accompanying study finds that central banks use different communication perspectives – prudential or promotional – and markets react positively to these climate-focused speeches, with stock performance improving for greener firms.

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

## Central bank speeches containing: climate change, carbon or green finance

### Total mentions by region




**Source:** Campiglio, E., Deyris, J., Romelli, D. and Scalisi, G., 2025. Warning words in a warming world: Central bank communication and climate change. Grantham Research Institute on Climate Change and the Environment Working Paper No. 418.

# At the Research Frontier

## What's new in international banking?

## Quarterly Selected Study

# The Editors' Pick

- **Global banking and macroeconomic stability. Liquidity, control, and monitoring**
  E. Beqiraj, Q. Cao, R. De Haas, R. Minetti (2025), Journal of International Economics Vol. 155.

- **Geopolitics Meets Monetary Policy: Decoding Their Impact on Cross-Border Bank Lending**
  S.-K. Pradhan, V. Stebunovs, E. Takáts, J. Temesvary (2025), International Finance Discussion Papers No. 1403.

- **Regulatory Stringency as a Competitive Tool for Financial Centres**
  M. Tanaka, (2025), C. Cañon, J. E. Thanassoulis, Bank of England Financial Stability Paper No. 1098.

## Diversification Strategies and Investment Opportunities in the International Banking Industry

Manapol Ekkayokkaya, Pisploen Ploenchitt and Christian Wolff (2025), CEPR Discussion Paper No. 19961.

- **Research Question**: Do banks adjust their diversification strategy in response to expected investment opportunities? And if so, how?

- **Data:** The study is based on a sample of 70 banks from non-US countries over the period 1990 to 2018. It uses acquisitions data from the Thompson Financial (SDC Platinum) Worldwide Mergers and Acquisitions database, with Tobin's *q* as a measure of expected investment opportunities within banks' current activities.

- **Main Findings:** Banks are more likely to pursue cross-border diversification when Tobin's *q* is low and especially before the financial crisis of 2007/08. The reason could be that banks are searching for new investment opportunities abroad if they expect their current activities to become less profitable. The negative link between a diversifying acquisition and Tobin's *q* becomes weaker after 2008 when capital constraints tighten, indicating that diversification motives might change over time.

# Articles and Posts

## Latest Updates

- **What has macropru ever done for you? Macropru announcements can lead to a substantial reduction in systemic risk**
  In this Bank Underground Blog, Kristina Bluwstein and Alba Patozi summarize recent work on announcements of macroprudential policies and effects on financial stability. A new data series on unexpected policy announcements is constructed for the UK to investigate the effect on systemic risk.

- **How far can digital innovation improve credit to small firms in emerging market economies?**
  Small firms in emerging market economies are more likely to face financial constraints. In this BIS Bulletin, Julián Caballero, Sebastian Doerr, Aaron Mehrotra and Fabrizio Zampolli investigate whether the emergence of big and fintech lenders facilitates access to credit for SMEs.

- **Global Macro Database**
  Karsten Müller, Chenzi Xu, Mohamed Lehbib, and Ziliang Chen (2025) have set up the "The Global Macro Database: A New International Macroeconomic Dataset" spanning 46 macroeconomic variables across 243 countries for a long time period.
  More details: CEPR Discussion Paper No. 19937.

# Research Agenda

## Forthcoming Conferences

- **Workshop on International Capital Flows and Financial Policies**
  Paris, France | September 24, 2025
  Banque de France
  CfP deadline: May 16, 2025

- **14th Annual Research Workshop - Bridging capital and growth - the role of financial structures and intermediaries**
  Paris, France | November 18-19, 2025
  European Banking Authority
  CfP deadline: June 6, 2025

- **2nd Exeter Sustainable Finance (ESF) Conference**
  Exeter, UK | September 18-19, 2025
  Exeter Sustainable Finance (ESF) Centre
  CfP deadline: June 6, 2025

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