

LATEST NEWS

- Iman van Lelyveld's paper "Multinational Banks and the Global Financial Crisis. Weathering the Perfect Storm?" (joint with Ralph de Haas) has been accepted for publication in the Journal of Money, Credit and Banking. This paper is a follow up to De Haas and Van Lelyveld (2010), incidentally the 4th most cited paper in recent years in the Journal of Financial Intermediation. Using data on the 48 largest multinational banking groups, the lending of their 199 foreign subsidiaries during the Great Recession is compared with lending by a benchmark of 202 domestic banks. Contrary to earlier and more contained crises, parent banks were not a significant source of strength to their subsidiaries during 2008-09. When controlling for other bank characteristics, multinational bank subsidiaries had to slow down credit growth almost three times as fast as domestic banks. This was in particular the case for subsidiaries of banking groups that relied more on wholesale funding. While multinational banks may contribute to financial stability during local crisis episodes, they also increase the risk of 'importing' instability from abroad. Please feel free to visit the personal page of Iman van Lelyveld by using the following link: [Iman van Lelyveld](#).
- Netspar grant for research about the pension preparation of small companies. Netspar is a network for 'Studies on Pensions, Aging and Retirement' that makes grants available for researchers. Recently Mauro Mastrogiacomio (Financial Stability division and VU University) has received a grant aiming to study the retirement preparation of freelancers in small companies. Are they, for instance, willing to take part in a collective pension fund? The grant is financed by Netspar and VU University. Also DNB (the Dutch Central Bank), AFM (Authority for the Financial Markets), Robeco, the Ministry of Economic and Social affairs and other institutions are involved in this research. The research project started on March 1st. Mauro is appointed for 1 day a week as researcher within EBO (the research unit of the DNB), that will also accommodate the PhD and the post-doc that will be hired on this grant.
- On the 21st of March the "DNB Macro Workshop: Financial Crises and Business Cycles in General Equilibrium" took place. Presenters included Frank Smets (European Central Bank) and other internationally reputed researchers, who used general equilibrium models to address issues that are relevant for monetary policy. Topics included the causes of banking crises, the measurement of trends and business cycles, monetary policy given uncertainty about the business cycle, and the implications for inflation dynamics of firms' imperfect price-setting decisions. You can find the programme at: [DNB Macro Workshop: Financial Crises and Business Cycles in General Equilibrium](#).
- A paper of Neeltje van Horen (jointly with Stijn Claessens of the IMF) entitled "Foreign banks: Trends and impact" has been accepted for publication in the Journal of Money, Credit and Banking. In this paper the authors introduce a new,

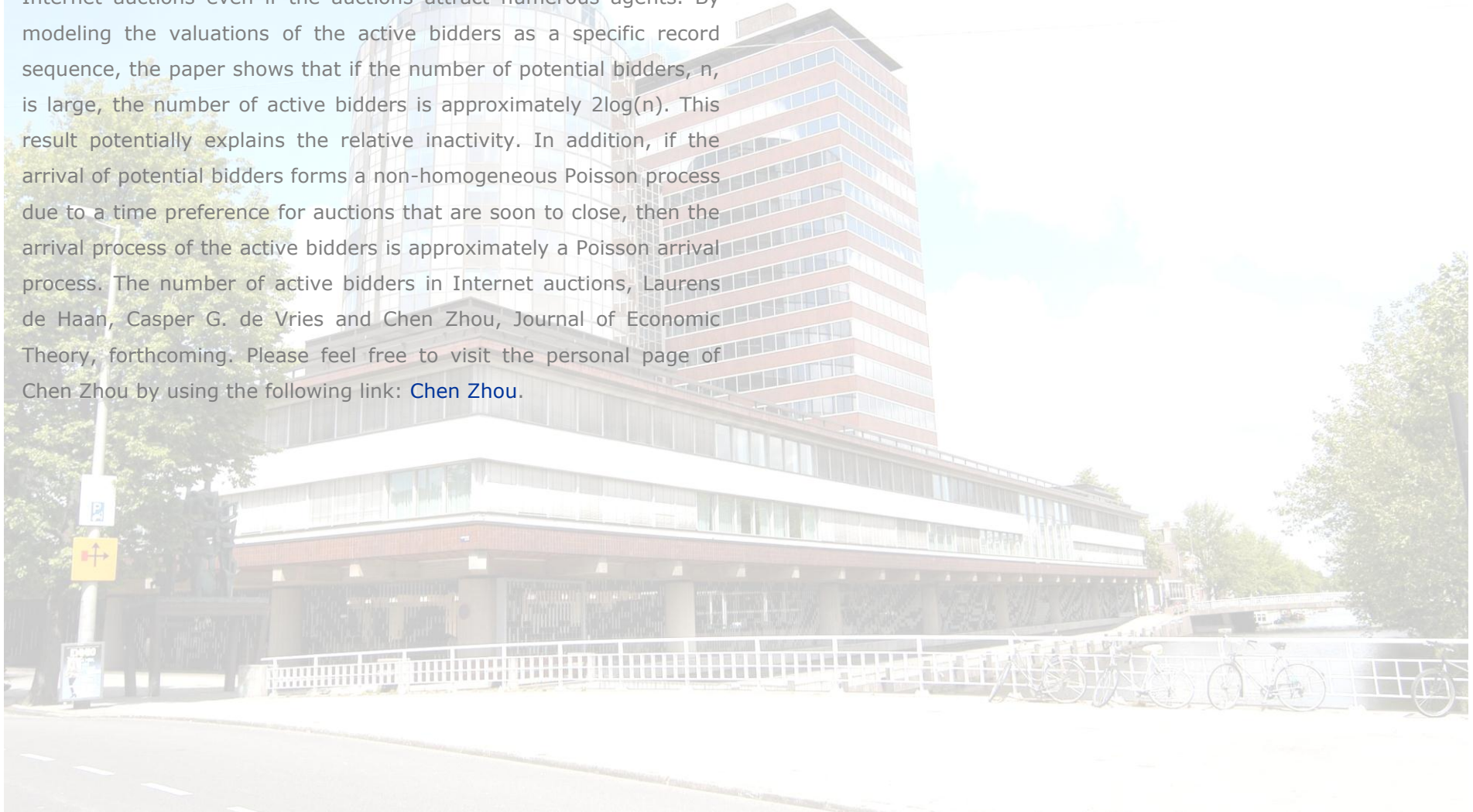
comprehensive database, made publicly available, on bank ownership (including the home country of foreign banks) for 5,324 banks in 137 countries over the period 1995-2009. Using this database Stijn and Neeltje document large increases in foreign bank presence in many countries, but with substantial heterogeneity in terms of host and banks' home countries, bilateral investment patterns, and bank characteristics. In terms of impact, they show that the relation between private credit and foreign bank presence importantly depends on a number of host country and banks' characteristics. This shows that accounting for heterogeneity, including bilateral ownership, is crucial to better understand the implications of foreign bank ownership. Please feel free to visit the personal page of Neeltje van Horen by using the following link: [Neeltje van Horen](#).

- On March 18th a workshop took place at De Nederlandsche Bank on the role of both gross and net capital flows in fuelling the pre-crisis credit boom and the policy lessons that can be drawn from this. Stephen Cecchetti (BIS) kicked off the workshop with an insightful overview of the role of both net and gross capital flows in the run up to the crisis. Helene Rey (LBS) then continued the morning session, by highlighting the role of the US as the world's banker and the world's insurer and providing insights in wealth transfers that took place during the crisis as a result of capital flow reversals. Her keynote was followed by thought-provoking discussions which started off with presentations from Stefan Gerlach (CBoI), Isabel Vansteenkiste (ECB) and William White (OECD). President of DNB, Klaas Knot, then provided a lunch speech discussing the link

between the sharp increase in financial integration in Europe and the sovereign debt crisis that we are now facing. The afternoon session focused on the role of global banks. Hyun Song Shin (Princeton) discussed in depth the role of global banks in the run up to the crisis and in its aftermath. His speech was followed by a lively discussion in which Stijn Claessens (IMF), Linda Goldberg (FedNY) and Phil Suttle (IIF) provided a lot of insights from the academic literature, policy makers and from market participants. For further information about this conference and for the presentations, please use the following link: [The global financial crisis: what is the role of net and gross capital flows?](#)

- Steven Poelhekke (DNB and VU University Amsterdam) has won the KVS/ESB award 2012 (best paper in economics by Dutch economists 2012, Royal Economics Association Netherlands (KVS)), for his paper 'Bank Intermediation of Foreign Direct Investment', at the Netherlands Economists Day, held at DNB on October 19th. The committee awarded the prize based on academic quality, originality of the research question, and policy relevance. His paper examines the role that banks play in facilitating FDI. A larger foreign presence of banks from the same home country as the investing firm predicts more non-financial FDI, even when tackling the thorny issue of reverse causation. Banks may lower information asymmetry and increase the success rate of FDI. This results highlights one benefit of multinational banking and a large financial sector. Please feel free to visit the personal page of Steven Poelhekke by using the following link: [Steven Poelhekke](#).
- A new paper by Chen Zhou (jointly with Laurens de Haan and Casper

de Vries, both from Erasmus University Rotterdam) entitled "The number of active bidders in Internet auctions" has been accepted for publication in the Journal of Economic Theory. In this paper, the authors investigate why there are only a few active bidders in Internet auctions even if the auctions attract numerous agents. By modeling the valuations of the active bidders as a specific record sequence, the paper shows that if the number of potential bidders, n , is large, the number of active bidders is approximately $2\log(n)$. This result potentially explains the relative inactivity. In addition, if the arrival of potential bidders forms a non-homogeneous Poisson process due to a time preference for auctions that are soon to close, then the arrival process of the active bidders is approximately a Poisson arrival process. The number of active bidders in Internet auctions, Laurens de Haan, Casper G. de Vries and Chen Zhou, Journal of Economic Theory, forthcoming. Please feel free to visit the personal page of Chen Zhou by using the following link: [Chen Zhou](#).



FORTHCOMING CONFERENCES

- 19-20 June 2013: Joint DNB-EBC Conference on 'The Role of Financial Intermediaries in Monetary Policy Transmission'. The participation for this conference is limited and by invitation only. The *Journal of Economic Dynamics and Control* will publish a special conference issue.
link: Conference on "The Role of Financial Intermediaries in Monetary Policy Transmission".
mail to: ebo_conference@dnb.nl
- 17-18 October 2013: 16th Annual Research Conference on 'The Impact of Credit on the Dynamics of SMEs'
Since 1998 the Nederlandsche Bank (DNB) has organized an Annual Research Conference. The conference brings together academics and policymakers from the Netherlands and abroad to present and discuss new research. The topic is selected every year from an area relevant for DNB.
link: 16th Annual Research Conference.
mail to: [mail to: DNB_ResearchConference@dnb.nl](mailto:DNB_ResearchConference@dnb.nl)

FORTHCOMING RESEARCH SEMINARS

(Please follow this link to read how you can attend)

- | | |
|-------------------|---|
| 16 April 2013 | - Jorna Leenheer / Tilburg University |
| 23 April 2013 | - Raf Wouters / Central Bank of Belgium |
| 24 April 2013 | - Michael Bordo / Rutgers University |
| 07 May 2013 | - Yvonne Adema / Erasmus University |
| 21 May 2013 | - Olaf Sleijpen / De Nederlandsche Bank |
| 28 May 2013 | - Tanju Yorulmazer / Federal Reserve Bank of New York |
| 05 June 2013 | - Ralf Meisenzahl / Federal Reserve System |
| 11 June 2013 | - Andrew Levin / IMF – FRB |
| 02 July 2013 | - Martin Brown / University of St. Gallen |
| 09 July 2013 | - Eric van Wincoop / University of Virginia |
| 10 September 2013 | - Jirka Slacalac / ECB |
| 17 September 2013 | - Thorsten Koepfl / Queens university |
| 24 September 2013 | - Filippo Ferroni / Banque de France |
| 08 October 2013 | - Domenico Delli Gatti / University del Sacro Cuore |

PUBLISHED ARTICLES (SINCE DECEMBER 2012)

- **Impact of bank competition on the interest rate pass-through in the euro area**, Michiel van Leuvensteijn, Chistoffer Kok-Sørensen, Jacob Bikker, Adrian van Rixtel, *Applied Economics*, 2013, 45(11), 1359-1380
- **Impact of foreign banks**, Stijn Claessens and Neeltje van Horen, *Journal of Financial Perspectives*, 2013, 1(1), 1-18
- **Choosing how to pay: The influence of foreign backgrounds**, Anneke Kosse and David-Jan Jansen, *Journal of Banking and Finance*, 2013, 37(3), 989-998
- **Strategic loan defaults and coordination**: An experimental analysis, Stefan Trautmann and Razvan Vlahu, *Journal of Banking and Finance*, 2013, 37(3), 747-760
- **Pricing of payment cards, competition, and efficiency: a possible guide for SEPA**, Wilko Bolt and Heiko Schmiedel, *Annals of Finance*, 2013, 9(1), 5-25

- **Human capital and employment growth in German metropolitan areas: New evidence**, Steven Poelhekke, *Regional Studies*, 2013, 47(2), 245-263
- **Contagion during the Greek sovereign debt crisis**, Mark Mink and Jakob de Haan, *Journal of International Money and Finance*, 2013, 34, 102-113
- **Did oral interventions by the Indonesian central bank support the rupiah?**, Sahminan Sahminan and Jakob de Haan, *Pacific Economic Review*, 2013, 18(1), 79-91
- **The relationship between the Renminbi future spot return and the forward discount**, Yanping Zhao, Jakob de Haan, Bert Scholtens, Haizhen Yang, *Journal of International Money and Finance*, 2013, 32, 156-168
- **Estimating cash usage: The impact of survey design on research outcomes**, Nicole Jonker and Anneke Kosse, *De Economist*, 2013, 161(1), 19-44
- **The quest for growth: The impact of bank strategy on interest margins**, Saskia van Ewijk and Ivo Arnold, *International Review of Financial Analysis*, 2012, 25, 18-27
- **Taming the beast? New European regulation for credit rating agencies**, Fabian Amtenbrink and Jakob de Haan, *Zeitschrift für Staats- und Europawissenschaften*, 2012, 4, 433-458
- **Beyond the fiscal compact: How well-designed eurobonds may discipline governments**, Jakob de Haan, Niels Gilbert, Jeroen Hessels and Silvie Verkaart, *Zeitschrift für Staats- und Europawissenschaften*, 2012, 3, 323-337
- **Follow the money: what does the economic literature on banking tell prudential supervisors about bank business models**, Paul Cavelaars and Joost Passenier, *Journal of Financial Regulation and Compliance*, 2012, 20(4), 402-416
- **Pricing in retail payment systems: A public policy perspective on pricing of payment cards**, Wilko Bolt and Sujit Chakravorti, In: Bruce J. Summers (ed.), *Payment Systems: Design, Governance and Oversight*, 2012, Central Banking Publishers, 217-236
- **An experimental study on expectations and learning in overlapping generations models**, Peter Heemeijer, Cars Hommes, Joep Sonnemans and Jan Tuinstra, *Studies in Nonlinear Dynamics and Econometrics*, 2012, 16(4)

IMF-supported programs: **Stimulating capital to non-defaulting countries**, Koen van der Veer and Eelke de Jong, *The World Economy*, 2013, 36(4), 375-395

FORTHCOMING ARTICLES(NEW SINCE OCTOBER 2012)

- **Pricing, competition and innovation in retail payment systems: A brief overview**, Wilko Bolt, *Journal of Financial Market Infrastructures*
- **Pension benefit security: a comparison of solvency requirements, a pension guarantee fund and sponsor support**, Dirk Broeders and An Chen, *Journal of Risk and Insurance*
- **The safety of cash and debit cards: A study on the perception and behaviour of Dutch consumers**, Anneke Kosse, *International Journal of Central Banking*
- **Optimal forecasts in the presence of structural breaks**, Hashem Pesaran, Andreas Pick and Mikhail Pranovich, *Journal of Econometrics*
- **Foreign banks: Trends and impact**, Stijn Claessens and Neeltje van Horen, *Journal of Money, Credit and Banking*
- **Wholesale bank funding, capital requirements and credit rationing**, Itai Agur, *Journal of Financial Stability*
- **International diversification during the financial crisis: A blessing for equity investors?**, Robert Vermeulen, *Journal of International Money and Finance*
- **Do newspaper articles on card fraud affect debit card usage?**, Anneke Kosse, *Journal of Banking and Finance*
- **Right on target: Exploring the factors leading to inflation targeting adoption**, Hanna Samaryna and Jakob de Haan, *Contemporary Economic Policy*
- **Mean reversion in stock prices: Implications for long-term investors**, Laura Spierdijk and Jacob Bikker, *Journal of Investment Strategies*
- **The extent of internet auction markets**, Laurens de Haan, Casper de Vries en Chen Zhou, *Journal of Economic Theory*

- **Statistical evidence on the mean reversion of interest rates**, Jan Willem van den End, *The Journal of Investment Strategies*
- **Fifty years of fiscal planning and implementation in the Netherlands**, Roel Beetsma, Massimo Giuliodori, Mark Walschot and Peter Wierts, *European Journal of Political Economy*
- **Leaning against the wind and the timing of monetary policy**, Itai Agur and Maria Demertzis, *Journal of International Money and Finance*

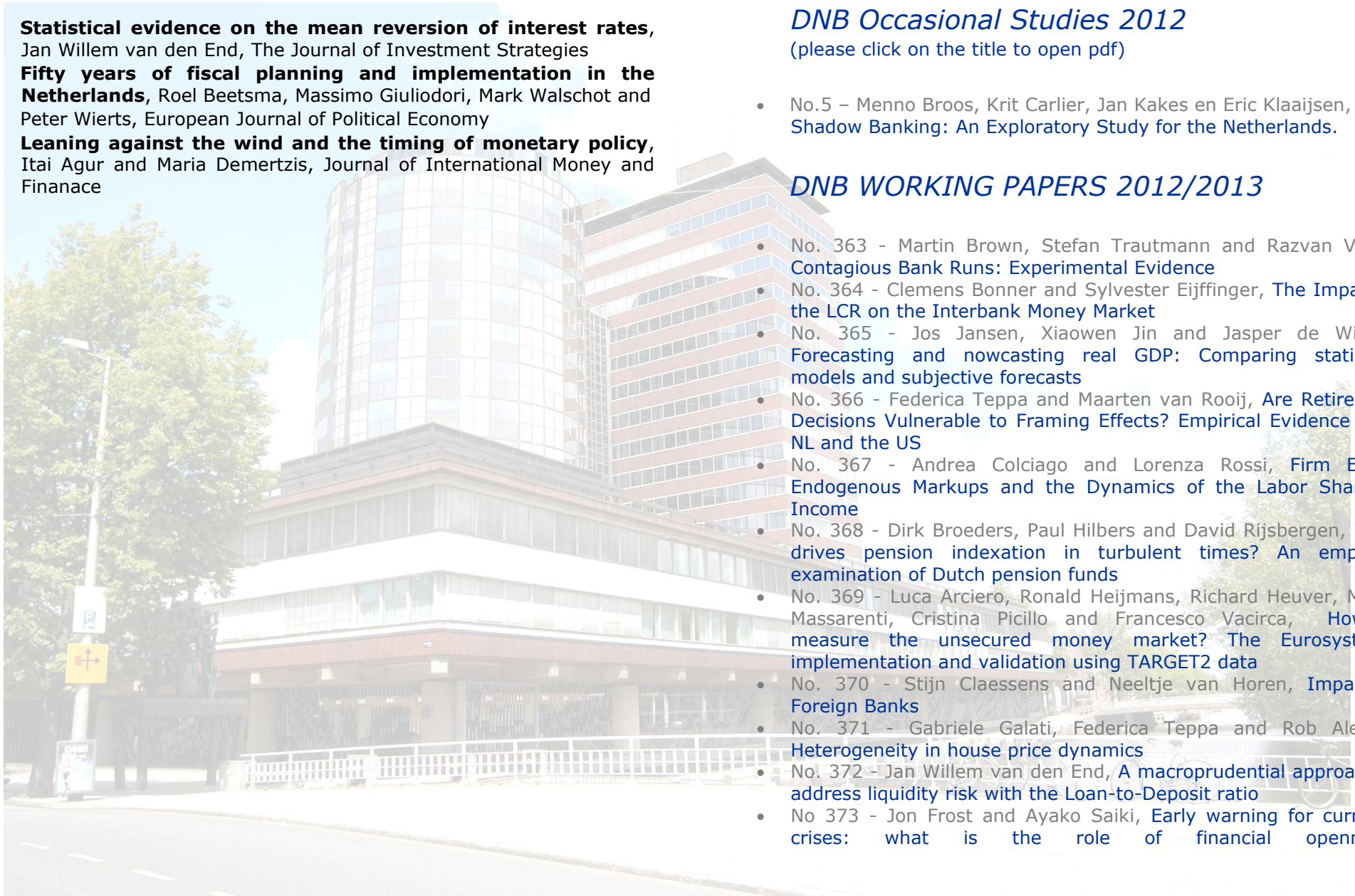
DNB Occasional Studies 2012

(please click on the title to open pdf)

- No.5 – Menno Broos, Krit Carlier, Jan Kakes en Eric Klaaijzen, *Shadow Banking: An Exploratory Study for the Netherlands.*

DNB WORKING PAPERS 2012/2013

- No. 363 - Martin Brown, Stefan Trautmann and Razvan Vlahu, *Contagious Bank Runs: Experimental Evidence*
- No. 364 - Clemens Bonner and Sylvester Eijffinger, *The Impact of the LCR on the Interbank Money Market*
- No. 365 - Jos Jansen, Xiaowen Jin and Jasper de Winter, *Forecasting and nowcasting real GDP: Comparing statistical models and subjective forecasts*
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- No 374 - Ronald Heijmans, Lola Hernández and Richard Heuver, Determinants of the rate of the Dutch unsecured overnight money market.
- No 375 - Anneke Kosse and Robert Vermeulen, Migrants' Choice of Remittance Channel: Do General Payment Habits Play a Role?

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