



UvA-DARE (Digital Academic Repository)

A walk down Lombard Street : essays on banking

Ratnovski, L.

Publication date
2008

[Link to publication](#)

Citation for published version (APA):

Ratnovski, L. (2008). *A walk down Lombard Street : essays on banking*. Thela Thesis.

General rights

It is not permitted to download or to forward/distribute the text or part of it without the consent of the author(s) and/or copyright holder(s), other than for strictly personal, individual use, unless the work is under an open content license (like Creative Commons).

Disclaimer/Complaints regulations

If you believe that digital publication of certain material infringes any of your rights or (privacy) interests, please let the Library know, stating your reasons. In case of a legitimate complaint, the Library will make the material inaccessible and/or remove it from the website. Please Ask the Library: <https://uba.uva.nl/en/contact>, or a letter to: Library of the University of Amsterdam, Secretariat, Singel 425, 1012 WP Amsterdam, The Netherlands. You will be contacted as soon as possible.

Bibliography

Acharya, V., Almeida, H., Campello, M., 2007, Is Cash Negative Debt? – A Hedging Perspective on Corporate Financial Policies. *J. Finan. Intermediation*, forthcoming

Acharya, V., Yorulmazer, T., 2007A. Too Many to Fail – An Analysis of Time-inconsistency in Bank Closure Policies. *J. Finan. Intermediation* 16, 1-31

Acharya, V., Yorulmazer, T., "Cash-in-the-Market Pricing and Optimal Resolution of Bank Failures", *Review of Financial Studies*, forthcoming

Acharya, V., Yorulmazer, T., 2007C. Information Contagion and Bank Herding. *J. Money, Credit, Banking*, forthcoming

Admati, A., Pfleiderer, P., 2000. Forcing Firms to Talk: Financial Disclosure Regulation and Externalities. *Review of Financial Studies* 13(3): 479-519

Bennet, P., Peristiani S., 2002. Are US Reserve Requirements still Binding?. *Fed. Reserve Bank New York Econ. Pol. Rev.* 8

Berger, A.N., Bouwman, C.N.S., 2006. Bank Liquidity Creation. unpublished manuscript, Federal Reserve Board and Case Western Reserve University

Berger, A.N., Davies, S.M., Flannery, M.J., 2000. Comparing Market and Supervisory Assessments of Bank Performance: Who Knows What When, *J. Money, Credit, Banking* 32 641-667

Bernanke, B., Gertler, M., 1989. Agency Costs, Net Worth and Business Fluctuations. *Amer. Econ. Rev.* 79, 14-31

Bernanke, B., Gertler, M., Gilchrist, S., 1996. The Financial Accelerator and the Flight to Quality, *Rev. Econ. Statist.* 78, 1-15

- Bhattacharya, S. and Gale, D., 1987. Preference Shocks, Liquidity, and Central Bank Policy. In: Barnett, W., Singleton, K. (Eds.), *New Approaches to Monetary Economics*. Cambridge University Press
- Boot, A., Schmeits A., 2000. Market Discipline and Incentive Problems in Conglomerate Firms with Applications to Banking. *J. Finan. Intermediation*, 9(3) 1-34.
- Boot, A., Thakor A., 2000. Can Relationship Banking Survive Competition? *J. Finance*, 55(2): 679-713.
- Boot, A., Thakor A., 2001. The Many Faces of Information Disclosure, *Review of Financial Studies*, 14(4): 1021-1057
- Brunnermeier, M., Pedersen, L., 2005. Predatory Trading. *J. Finance* 60, 1825-63
- Calomiris, C., Kahn, C., 1991. The Role of Demandable Debt in Structuring Optimal Banking Arrangements. *Amer. Econ. Rev.* 81, 497-513
- Calomiris, C., 1999. Building an Incentive Compatible Safety Net. *J. Banking and Finance*, 23: 1499-1519
- Caprio, G., Laeven, L., Levine, R., 2006. Governance and Bank Valuations. *J. Fin. Intermediation*, forthcoming
- Chaplin, G., Emblow, A., and Michael, I., 2000. Banking System Liquidity: Developments and Issues. *Bank of England Financial Stability Review*, December, 93-112
- Chari, V.V., Jagannathan R., 1988., Banking Panics, Information, and Rational Expectations Equilibrium. *J. Finance* 43: 749-61.
- Demirguc-Kunt, A., Detragiache, E., 2002. Does Deposit Insurance Increase Banking System Stability? *J. Monet. Econ.* 49, 1373-1406
- Detragiache, E., Garella P., Guiso L., 2000. Multiple versus Single Banking Relationships: Theory and Evidence. *J. Finance*, 55(3): 1133-61
- Diamond, D.W., Dybvig, P.H., 1983. Bank Runs, Deposit Insurance, and Liquidity. *J. Polit. Economy* 91, 401-419
- Diamond, D.W., Rajan, R.G., 2001. Liquidity Risk, Liquidity Creation, and Financial Fragility. *J. Polit. Econ.* 109, 287-327

- Flannery, M.J., 1997. Using Market Information in Prudential Risk Supervision: A Review of US Empirical Evidence. *J. Money, Credit, Banking* 30, 273-305
- Flannery, M.J., 2001. The Faces of Market Discipline. *J. Finan. Serv. Res.* 107-119.
- Freedman, P., Click, R., 2006. Banks that Don't Lend? Unlocking Credit to Spur Growth in Developing Countries. *Development Policy Review* 24, 279-302
- Freixas, X., 1999. Optimal Bail Out Policy, Conditionality and Constructive Ambiguity. LSE Financial Markets Group Discussion Paper 237
- Freixas, X., Parigi, B., Rochet, J.-C., 2000. Systemic Risk, Interbank Relations, and Liquidity Provision by the Central Bank. *J Money, Credit, Banking* 32, 611-638.
- Freixas, X., Parigi, B., Rochet, J.-C., 2004. The Lender of the Last Resort: A Twenty-First Century Approach. *J. European Economic Association* 2(6)
- Gatev, E., Schuermann, T., Strahan, P.E., 2004. How do Banks Manage Liquidity Risk? Evidence from Equity and Deposit Markets in the Fall of 1998. NBER Working Paper 10982
- Gatev, E., Strahan, P.E., 2006. Banks' Advantage in Hedging Liquidity Risk: Theory and Evidence from the Commercial Paper Market. *J. Finance* 61(2): 867-92
- Glaeser, E.L., Shleifer, A., 2001. A Reason for Quantity Regulation. *Amer. Econ. Rev.* 91, 431-35.
- Gonzalez-Eiras, M., 2004. Banks' Liquidity Demand in the Presence of a Lender of Last Resort. working paper, Universidad de San Andres
- Goodfriend, M., King, R.G., 1998. Financial Deregulation, Monetary Policy, and Central Banking. *Fed. Reserve Bank Richmond Econ. Rev.* May/June, 3-22
- Goodfriend, Marvin and Robert G. King (1998) "Financial Deregulation, Monetary Policy, and Central Banking", *Federal Reserve Bank of Richmond Economic Review*, May/June: 3-22
- Goodhart, C., 1999. Myths About the Lender of Last Resort. *Int. Finance* 2, 339-360
- Gorton, G., Pennacchi G., 1995. Banks and Loan Sales: Marketing Nonmarketable Assets. *J. Monetary Econ.* 35: 389-411

- Griffin, P.K., Wallach S. 1991. Latin American Lending by Major U.S. Banks: The Effects of Disclosures about Nonaccrual Loans and Loan Loss Provisions. *Accounting Review*, 86(4): 830-846
- Holmstrom, B., Tirole, J., 1998. Private and Public Supply of Liquidity, *J. Polit. Economy* 106(1): 1-40
- Holod, D., Peek J., 2005. Asymmetric Information and Liquidity Constraints: A New Test. FDIC Center for Financial Research Working Paper No. 2005-02
- Hoshi, T., 2002. The Convoy System for Insolvent Banks: How It Originally Worked and Why It Failed in the 1990s. *Japan World Economy* 14, 155-80
- Jensen, M.C., Meckling W. 1976. Theory of the Firm: Managerial Behavior, Agency Costs and Ownership Structure. *J. Finan. Econ.*
- Kashyap, A.K., Rajan, R.R., Stein, J.C., 2002. Banks as Liquidity Providers: An Explanation for the Coexistence of Lending and Deposit-Taking. *J. Finance* 57, 33-73
- Kashyap, A.K., Stein, J.C., 2002. What do a Million Observations on Banks Say about the Transmission of Monetary Policy?. *Amer. Econ. Rev.* 90(3): 407-28.
- Mailath, G.J., Mester L.J., 1994. A Positive Analysis of Bank Closure. *J. Finan. Intermediation*, 3(3) 272-299
- Mitchell, J., 1998. Strategic Creditor Passivity, Regulation and Bank Bailouts. CEPR Discussion Paper 1780
- Morgan, D.P., 2002. Rating Banks: Risks and Uncertainty in an Opaque Industry. *Amer. Econ. Rev.* 92: 874-88.
- Myers, S.C., Rajan, R.G. 1998. The Paradox of Liquidity. *Quart. J. Econ.* 113, 733-71
- O'Hara, M. Shaw, W., 1990. Deposit Insurance and Wealth Effects: The Value of Being 'Too Big to Fail'. *J. Finance* 45, 1587-1600
- Paravisini, D. (2007), "Local Bank Financial Constraints and Firm Access to External Finance", *J. Finance*, forthcoming
- Pennacchi, G., 2006. Deposit Insurance, Bank Regulation, and Financial System Risks. *J. Monet. Econ.* 53(1), 1-30

- Perotti, E.C. Suarez, J., 2002. Last Bank Standing: What Do I Gain if You Fail?, *Europ. Econ. Rev.* 46, 1599-1622
- Perotti, E.C., 1998. Inertial Credit and Opportunistic Arrears in Transition. *Europ. Econ. Rev.* 9, 1703-25
- Perotti, E.C.. von Thadden, E.-L. 2003. Strategic Transparency and Informed Trading: Will Globalization Force Convergence of Corporate Governance? *J. Finan. and Quant. Analysis*, 38(1): 61-85.
- Puri, M., 1996. Commercial banks in investment banking: Conflict of interest or certification role? *J. Finan. Econ.*, 40(3): 373-401
- Rajan, R., 1992, "Insiders and Outsiders: The Choice between Informed and Arm's-Length Debt", *Journal of Finance*, 47(4): 1367-1400
- Rajan, R, 1994, "Why Bank Credit Policies Fluctuate: A Theory and Some Evidence", *Quarterly Journal of Economics*, 109: 399-442
- Rajan, R, 1995 "Commercial Bank Entry into the Securities Business: A Survey of Theories and Evidence", in *Universal Banking*, Anthony Saunders and Ingo Walter eds., New York: Oxford University Press
- Ratnovski, L. (2007) "Bank Liquidity Regulation and the Lender of Last Resort", *Journal of Financial Intermediation*, forthcoming
- Rochet, J.-C., Tirole J., 1996. Interbank Lending and Systemic Risk. *J. Money, Credit, Banking* 28, 733-62
- Ruckes, M., 2004, Bank Competition and Credit Standards, *Review of Financial Studies*, 17(4): 1073-1102
- Sharpe, S., 1990, "Asymmetric Information, Bank Lending and Implicit Contracts: A Stylized Model of Customer Relationships", *J. Finance*, 45(4): 1069-87
- Townsend, R., 1979. Optimal Contracts and Competitive Markets with Costly State Verification. *Fed. Reserve Bank Minneapolis Staff Report* 45
- Von Thadden, E.-L., 1995. Long-Term Contracts, Short-Term Investment and Monitoring. *Review of Economic Studies* 62(4): 557-575

Von Thadden, E.-L., 2004. Asymmetric Information, Bank Lending, and Implicit Contracts: The Winner's Curse. *Finance Research Letters* 1