The Impact Of Non Performing Loans And Bank Performance In

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How to Assess the Benefits of Nonperforming Loan Disposal in Sub-Saharan Africa Using a Simple Analytical Framework- Irina Bunda 2021-06-08 The coronavirus (COVID-19) crisis, which has hit financial systems across Africa, is likely to deteriorate banks’ balance sheets. The largest threat to banks pertains to their loan portfolios, since many borrowers have faced a sharp collapse in their income, and therefore have difficulty repaying their obligations as they come due. This could lead to a sharp increase in nonperforming loans (NPLs) in the short to medium term.

Non-Performing Loans in the ECCU- Ms.Kimberly Beaton 2016-11-17 This paper assesses the determinants of NPLs in the Eastern Caribbean Currency Union (ECCU) and whether a deterioration in asset quality may result in negative feedback effects from the banking system to economic activity. The results suggest that the deterioration in asset quality can be attributed to both macroeconomic and bank-specific factors. Banks with stronger profitability and lower exposure to the construction sector and household loans tend to have lower NPLs. Further, some evidence indicates that foreign owned banks systematically have lower NPLs than domestic banks, pointing to the presence of important differences across bank practices with an impact on asset quality. Finally, the results emphasize the strength of macrofinancial feedback loops in the ECCU.

Nonperforming Loans in the GCC Banking System and their Macroeconomic Effects- Mr.Raphael A. Espinoza 2010-10-01 According to a dynamic panel estimated over 1995 - 2008 on around 80 banks in the GCC region, the NPL ratio worsens as economic growth becomes lower and interest rates and risk aversion increase. Our model implies that the cumulative effect of macroeconomic shocks over a three year horizon is indeed large. Firm-specific factors related to risk-taking and efficiency are also related to future NPLs. The paper finally investigates the feedback effect of increasing NPLs on growth using a VAR model. According to the panel VAR, there could be a strong, albeit short-lived feedback effect from losses in banks’ balance sheets on economic activity, with a semi-elasticity of around 0.4.

Nonperforming Loans in Sub-saharan Africa: Causal Analysis and Macroeconomic Implications-

Commercial Real Estate and Financial Stability: Evidence from the US Banking Sector-Mr. Salih Fendoglu 2021-05-26 This note analyzes the implications of changes in commercial real estate (CRE) prices for the stability of the US banking sector. Using detailed bank-level and CRE price data for US metropolitan statistical areas, the analysis shows that, following a decline in CRE prices, banks with greater exposures to CRE loans perform worse than their counterparts, experiencing higher non-performing CRE loans, lower revenues, and lower capital. These effects are particularly pronounced if the drop in CRE prices turns out to be persistent because of possible
structural shifts in CRE demand—for example, because of an increased trend toward e-commerce and teleworking—even after the coronavirus disease (COVID-19) pandemic is over. The impact of a decline in CRE prices is especially true for small and community banks, which tend to have the highest CRE loan exposures. While the US banking sector has remained resilient during the pandemic crisis due to strong capital buffers and massive policy support, these findings suggest that continued vigilance is warranted with regard to potential downside risks to CRE prices amidst ongoing structural shifts in the sector.

The Impact of Macro-Economic Variables on Non-Performing Loans-Michael Gabathuler 2011 The aim of this thesis is to model the impact of macro-economic variables on NPLs, a generalized least squares model as well as a Arellano Bond model are estimated. The models are estimated with annual panel data for 216 countries, covering the period of 2000-2010. My findings suggest that an increase in GDP growth, foreign exchange rate, the amount of credit given to the private sector, the money- and quasi money growth rate lower the ratio of NPLs. An increase in the inflation rate, the unemployment rate and the real lending interest rate lead to higher ratio NPL ratios.

Nonperforming Loans and Macrofinancial Vulnerabilities in Advanced Economies-Ms.Mwanza Nkusu 2011-07-01 We analyze the link between nonperforming loans (NPL) and macroeconomic performance using two complementary approaches. First, we investigate the macroeconomic determinants of NPL in panel regressions and confirm that adverse macroeconomic developments are associated with rising NPL. Second, we investigate the feedback between NPL and its macroeconomic determinants in a panel vector autoregressive (PVAR) model. The impulse response functions (IRFs) attribute to NPL a central role in the linkages between credit market frictions and macrofinancial vulnerability. They suggest that a sharp increase in NPL triggers long-lived tailwinds that cripple macroeconomic performance from several fronts.

Factors Affecting Non-Performing Loan in the Case of the Development Bank of Ethiopia-Mequanint Zeleke 2020-03-02 Research Paper (undergraduate) from the year 2018 in the subject Business economics - Banking, Stock Exchanges, Insurance, Accounting, , language: English, abstract: This study is attempted to examine factors affecting non -performing loan of development bank of Ethiopia. The main objective is to examine the factors affecting nonperforming loans in DBE central region. After problem identification, research hypothesis was developed which inquires the relationship and effect of non-performing loans on development bank of Ethiopia. Both secondary and primary data were used in the research. The data is then analyzed using descriptive, correlation and regression techniques through SPSS and Stata software program. The findings of the study revealed that gross domestic product has a positive impact on the occurrence of non-performing loans while other model variables unemployment, inflation rate and exchange rate have no impact on the occurrence of non-performing loan in which negatively affect non-performing loan. according to my study result. Also the result of the primary data indicated that in regarding about customer's specific causes, the result showed that credit culture of customers, lack of business knowledge, delayed approval, profit of the business, business location were determinants of non-performing
loan while bank specific factors include poor credit assessment, poor customer selection, aggressive lending policy, borrowers culture, credit size affected non-performing loan.

Bank Asset Quality in Emerging Markets-Mr.Reinout De Bock 2012-03-01 This paper assesses the vulnerability of emerging markets and their banks to aggregate shocks. We find significant links between banks’ asset quality, credit and macroeconomic aggregates. Lower economic growth, an exchange rate depreciation, weaker terms of trade and a fall in debt-creating capital inflows reduce credit growth while loan quality deteriorates. Particularly noteworthy is the sharp deterioration of balance sheets following a reversal of portfolio inflows. We also find evidence of feedback effects from the financial sector on the wider economy. GDP growth falls after shocks that drive non-performing loans higher or generate a contraction in credit. This analysis was used in chapter 1 of the Global Financial Stability Report (September 2011) to help evaluate the sensitivity of banks’ capital adequacy ratios to macroeconomic and funding cost shocks.

A Strategy for Resolving Europe's Problem Loans-Mr. Shekhar Aiyar 2015-09-24 Europe’s banking system is weighed down by high levels of non-performing loans (NPLs), which are holding down credit growth and economic activity. This discussion note uses a new survey of European country authorities and banks to examine the structural obstacles that discourage banks from addressing their problem loans. A three pillared strategy is advocated to remedy the situation, comprising: (i) tightened supervisory policies, (ii) insolvency reforms, and (iii) the development of distressed debt markets.

Non-performing Assets: Status and Impact A Comparative Study-Nammi Lalitha 2015-03-04 In this study, empirical evidence that explain how NPA performed in Indian banking, based on statistics during post-millennium period is discussed. Indian banking system was classified based ownership into SBI & Associates, Nationalized Banks, Private Sector Banks and Foreign Banks. In the present study two Public sector and two private sector banks were studied. A unique approach was adopted in investigating the effect of NPA based on growth rate, absolute figures and its movement; rather than focusing on NPA ratio's which often lead to wrong conclusion. This study appraise whether the reduction in NPA ratios really reflect efficiency of Indian banking in post-liberalization period. Prudential norms are intended to cleanse the Balance Sheet of banks and restore financial health. In this context the management of NPAs assume importance. The study therefore, concentrates on "Prudential Norms, analysis of magnitude and trends of NPAs in public and private sector banks, management and practices to recover NPAs etc. The NPAs management strategy of the banks is outlined.

Non-Performing Loans in CESEE-Nir Klein 2013-03-20 The paper investigates the non-performing loans (NPLs) in Central, Eastern and South-Eastern Europe (CESEE) in the period of 1998–2011. The paper finds that the level of NPLs can be attributed to both macroeconomic conditions and banks’ specific factors, though the latter set of factors was found to have a relatively low explanatory power. The examination of the feedback effects broadly confirms the strong macro-financial linkages in the region. While NPLs were found to respond to macroeconomic conditions, such as GDP growth, unemployment, and inflation, the analysis also indicates that there are strong feedback effects from the banking system to the real economy, thus suggesting that the high NPLs that many CESEE countries currently face adversely affect the pace economic recovery.

Problem Loans in the Caribbean: Determinants, Impact and Strategies for Resolution-Ms.Kimberly Beaton 2017-11-07 The high level of nonperforming loans (NPLs) in the Caribbean has been, in large part, a legacy of the global financial crisis, but their persistence owes much to the weak economic recovery in the region, as well as to structural obstacles to their resolution. A comprehensive strategy is needed to address these impediments to sever the adverse feedback loops between weak economic activity and weak asset quality. This paper finds that NPLs are a drag on Caribbean growth and macro-financial links are strong: a deterioration in asset quality hinders bank lending and dampens economic activity, undermining, in turn, efforts to resolve problem loans. A multifaceted approach is needed, involving a combination of macro- economic policies to support growth and
employment; strong supervisory frameworks to ensure macro-financial stability and create incentives for resolution; efforts to address informational gaps and deficiencies in insolvency and debt-enforcement frameworks; and development of markets for distressed loans. The institutional capacity constraints require coordination of reforms within the region and support from international organizations through capacity-building.

Non-Performing Loans and Resolving Private Sector Insolvency - Platon Monokroussos 2017-07-26
This book explores the issue of private sector over-indebtedness following the recent financial crisis. It addresses the various challenges for policymakers, investors and economic agents affected by applied remedial policies as the private non-financial sector in Europe continues to face increased challenges in servicing its debt, with the problem mainly concentrated in several countries in the EU periphery and Eastern Europe. Chapters from expert contributors address reduced investment as firms concentrate on deleveraging and repairing their balance sheets, curtailed consumer spending, depressed collateral values and weak credit creation. They examine effective policies to facilitate private sector debt restructuring which may involve significant upfront costs in terms of time to implement and committed budgetary resources, as well as necessary reforms required to improve the broader institutional framework and judicial capacity. The book also explores the issue of over indebtedness in the household sector, contributing to the literature in establishing best practice principles for household debt.

Approaching Non-performing Loans from a Macroprudential Angle - Claudio Scardovi 2015-11-05
The emergence and accumulation of non-performing loans (NPLs) on banks’ balance sheets is commonly considered a microprudential issue. NPLs come to the attention of macroprudential authorities when they weaken a significant part of the financial system, threatening its stability or impairing one or more of its core functions, such as the provision of credit to the real economy. On a conceptual level, various imperfections may call for policy actions on the management of NPLs. These include unaddressed externalities, economies of scale and coordination failures, institutional distortions (stemming from the accounting, regulatory and tax treatment of NPLs or the judicial and market structures needed for their efficient resolution) and moral hazard vis-à-vis the providers of the banks' safety net. Externalities arise when banks neglect part of the social benefits or costs of actions affecting the origination and management of NPLs when individually deciding on such actions. For example, individual banks and society as a whole may differ in their assessment of the benefits and costs of generating more credit in a boom, with the potential implication of having to cope with a larger NPL problem in a bust (potentially damaging credit supply during the bust and the subsequent recovery). Externalities may be due to the way an unresolved stock of NPLs impairs investors’ perceptions of the health of the financial system or prolongs a debt overhang problem, making bank funding more expensive and discouraging banks from taking up new lending opportunities. Other externalities may operate through the impact of the sale of foreclosed assets on prices of similar assets or through a generalisation of forbearance and evergreening strategies damaging banks’ reputation as debt collectors and producing a deterioration in borrowers’ payment culture. Coordination and collective action problems emerge in the presence of technological or strategic complementarities between agents’ decisions. They are conceptually related to externalities and increasing returns to scale. In the absence of a coordinating institution, agents acting in a decentralised manner in their own best interests may become blocked into an inefficient allocation. For example, if creating a secondary market for NPLs requires setup costs that can only be recovered if the volume of trade in such a market is sufficiently large, the economy may be trapped in a situation in which such a market never gets started because it is always too small for the individual agents deciding at the margin whether to establish it. A similar argument has been applied to justify policies promoting the creation of (public and private) asset management companies (AMCs) specialised in buying and managing NPLs.

Holistic Active Management of Non-Performing Loans - Claudio Scardovi 2015-11-05
This book discusses the most critical issues relating to the recovery of bad loans - a major problem that European banks urgently need to address and resolve. The book describes, in an innovative but also pragmatic way, the new
Approaches, techniques, and models for optimal management of non-performing loans (NPLs) and the maximization of their recovery value. Drawing on a rigorous academic background and the latest real-life experiences of major European banks, it details a novel means of dealing with NPLs based on velocity, the holistic use of tools and “accelerators”, and the active management of collaterals. Also, there is a specific focus on the smart use of “big data” and on the development of “bad banks”, at both the single bank and the system-wide level. Ultimately, credit workout is defined as a core capability for any competitive bank – and as a quite interesting business opportunity for independent, specialized “alpha” players.

Commodity Price Shocks and Financial Sector Fragility - Mr. Tidiane Kinda 2016-02-01
This paper investigates the impact of commodity price shocks on financial sector fragility. Using a large sample of 71 commodity exporters among emerging and developing economies, it shows that negative shocks to commodity prices tend to weaken the financial sector, with larger shocks having more pronounced impacts. More specifically, negative commodity price shocks are associated with higher non-performing loans, bank costs and banking crises, while they reduce bank profits, liquidity, and provisions to nonperforming loans. These adverse effects tend to occur in countries with poor quality of governance, weak fiscal space, as well as those that do not have a sovereign wealth fund, do not implement macro-prudential policies and do not have a diversified export base. These findings are robust to a battery of robustness checks.

Three Essays on Financial Stability - Jean Armand Gnagne 2018
The primary focus of this thesis is on financial stability. More specifically, we investigate different issues related to the monitoring and forecasting of important underlying systemic financial vulnerabilities. We develop various econometric models aimed at providing a better assessment and early insights about the build-up of financial imbalances. Throughout this work, we consider complementary measures of financial (in)stability, ensuring the regulatory authorities with a deeper toolkit for achieving and maintaining financial stability. In the first Chapter, we apply a logit model to identify important determinants of financial crises. Along with the traditional explanatory variables suggested in the literature, we consider a measure of bid-ask spreads in the financial markets of each country as a proxy for the likely effect of a Securities Transaction Tax (STT) on transaction costs. One key contribution of this Chapter is to study the impact that a harmonized, area-wide tax, often referred to as Tobin Tax would have on the stability of financial markets. Our results confirm important findings uncovered in the literature, but also indicate that higher transaction costs are generally associated with a higher risk of crisis. We document the robustness of this key result to possible endogeneity effects and to the 2008–2009 global crisis episode. To the extent that a widely-based STT would increase transaction costs, our results therefore suggest that the establishment of this tax could increase the risk of financial crises. In the second Chapter, we assess the build-up of financial imbalances in a data-rich environment. Concretely, we concentrate on one key dimension of a sound financial system by monitoring and forecasting the monthly aggregate commercial bank failures in the United States. We extract key sectoral predictors from a large set of macro-financial variables and incorporate them in a hurdle negative binomial model to predict the number of monthly commercial bank failures. We find a strong and robust relationship between the housing industry and bank failures. This evidence suggests that housing industry plays a key role in the buildup of vulnerability in the banking sector. Different specifications of our model confirm the robustness of our results. In the third Chapter, we focus on the modeling of non-performing loans (NPLs), one other dimension along with financial vulnerabilities are scrutinized. We apply different models proposed in the recent literature for fitting and forecasting U.S. banks non-performing loans (NPLs). We compare the performance of these models to those of similar models in which we replace traditional explanatory variables by key sectoral predictors all extracted from the large set of potential U.S. macro-financial variables. We uncover that the latent-component-based models all outperform the traditional models, suggesting then that practitioners and researchers could consider latent factors in their modeling of NPLs. Moreover, we also confirm that the housing sector greatly impacts the evolution of non-performing loans over time.
Macroprudential Approaches to Non-performing Loans- 2019 This report presents an analysis carried out by the ESRB in response to a Council of the European Union request to develop "macroprudential approaches to prevent the emergence of system-wide NPL problems, while taking due consideration of procyclical effects of measures addressing NPLs' stocks and potential effects on financial stability". Relying on the experience and expertise of ESRB members, especially those from Member States in which system-wide increases in non-performing loans (NPLs) were observed in the aftermath of the recent crisis, the report begins by identifying the main triggers, vulnerabilities and amplifiers that can drive system-wide increases in NPLs. With these drivers in mind, the report then focuses on the role that macroprudential policy can play in preventing system-wide increases in NPLs and/or in increasing banks’ resilience in the face of such increases. The emergence and accumulation of NPLs can become a systemic problem when this affects a considerable part of the financial system, threatening its stability and/or impairing its core function of facilitating financial intermediation. A significant increase in NPLs throughout the system can have a negative impact on the resilience of the banking sector to shocks, thus increasing systemic risk. NPLs may also be associated with higher funding costs and a lower supply of credit to the real economy. This may result from negative market sentiment towards banks with high levels of NPLs, which decreases banks’ ability to access liquidity and capital markets (potentially leading to credit supply constraints). In the European Union, systemic concerns arose from the abnormally high proportion of NPLs which accumulated on banks’ balance sheets during the crisis, and their persistence after the crisis. The report identifies business cycle and asset price shocks as two of the main drivers of system-wide increases in NPLs. A downturn of the business cycle and/or negative asset price shocks, particularly in sectors to which the banking sector is significantly exposed (e.g. residential real estate (RRE) and commercial real estate (CRE)), may trigger a system-wide increase in NPLs. In some cases such increases may also be associated with instances of significant resource reallocation within the economy. The role played by vulnerabilities that built up before the crisis, i.e. (i) high indebtedness and excessive credit growth and (ii) underlying bank practices and governance, is also highlighted, as well as the role played by the judicial and legal systems. The increase in debt levels seen in some EU Member States before the crisis made non-financial corporations (NFCs) and households particularly vulnerable to negative shocks, especially when accompanied by a low capacity to generate internal capital and/or by low savings rates. Banks’ internal incentives, culture and practices also played an important role in explaining their exposure to imbalances that had built up before the crisis, as well as the impact of the crisis on their balance sheets.

Interest Rates and Share Prices- 1997 This publication provides a detailed description of the sources and methods used by OECD member countries in calculating the share price indices as well as definitions of the interest rate series presented in Main Economic Indicators.-- Publisher's description.

Financial Deepening and Post-Crisis Development in Emerging Markets-Aleksandr V. Gevorkyan 2016-06-14 This collection empirically and conceptually advances our understanding of the intricacies of emerging markets' financial and macroeconomic development in the post-2008 crisis context. Covering a vast geography and a broad range of economic viewpoints, this study serves as an informed guide in the unchartered waters of fundamental uncertainty as it has been redefined in the post-crisis period. Contributors to the collection go beyond risks-opportunities analyses, looking deeper into the nuanced interpretations of data and economic categories as interplay of developing world characteristics in the context of redefined fundamental uncertainty. Those concerns relate to the issues of small country finance, the industrialization of the developing world, the role of commodity cycles in the global economy, sovereign debt, speculative financial flows and currency pressures, and connections between financial markets and real markets. Compact and comprehensive, this collection offers unique perspectives into contemporary issues of financial deepening and real macroeconomic development in small developing economies that rarely surface in the larger policy and development debates.

Management of Non-Performing Assets in Banking Sector-Nalla Bala Kalyan 2020-03-03
An asset of a bank (such as a loan given by the bank) turns into a Nonperforming asset (NPA) when it ceases to generate regular income such as interest etc for the bank. In other words, when a bank which lends a loan does not get back its principal and interest on time, the loan is said to have turned into an NPA. While NPAs are a natural fall-out of undertaking banking business and hence cannot be completely avoided, high levels of NPAs can severely erode the bank’s profits, its capital and ultimately its ability to lend further funds to potential borrowers.

Similarly, at the macro level, a high level of Nonperforming Assets means choking off credit to potential borrowers, thus lowering capital formation and economic activity. So the challenge is to keep the growth of NPAs under control. Clearly, it is important to have a robust appraisal of loans, which can reduce the chances of loan turning into an NPA. Also, once a loan starts facing difficulties, it is important for the bank to take remedial action. The study focus on Asset classification and trends of NPAs, compare sector wise NPAs during branch expansion, predict and analyze NPAs by Markov’s transition matrix and its application to loan tracking, impact of NPAs on the profitability and productivity of banks, Recovery methods, loan administration activities and factors influencing NPAs from Banker’s & Borrower’s perspective in selected banks.

The Dynamics of Non-Performing Loans during Banking Crises: A New Database-Mr. Anil Ari 2019-12-06 This paper presents a new dataset on the dynamics of non-performing loans (NPLs) during 88 banking crises since 1990. The data show similarities across crises during NPL build-ups but less so during NPL resolutions. We find a close relationship between NPL problems—elevated and unresolved NPLs—and the severity of post-crisis recessions. A machine learning approach identifies a set of pre-crisis predictors of NPL problems related to weak macroeconomic, institutional, corporate, and banking sector conditions. Our findings suggest that reducing pre-crisis vulnerabilities and promptly addressing NPL problems during a crisis are important for post-crisis output recovery.

Bulgaria: Financial Sector Assessment Program-International Monetary Fund. Monetary and Capital Markets Department

2017-07-11 While the BNB has taken steps to promote reductions in nonperforming loans (NPLs) in the banking system, NPL levels remain high. Based on the BNB’s own methodology, gross NPL levels at end-June 2016 were a high 19.7 percent of total gross loans, with most NPLs over one year past due. Using the EBA’s NPL measure, this, too, shows Bulgaria among those EU countries with higher NPL levels.

Problem Loans and Cost Efficiency in Commercial Banks-Allen N. Berger 1995

Banks and Capital Requirements- Benjamin H. Cohen 2014

Bank Profitability and Risk-Taking-Natalya Martynova 2015-11-25 Traditional theory suggests that more profitable banks should have lower risk-taking incentives. Then why did many profitable banks choose to invest in untested financial instruments before the crisis, realizing significant losses? We attempt to reconcile theory and evidence. In our setup, banks are endowed with a fixed core business. They take risk by leveraging up to engage in risky ‘side activities’ (such as market-based investments) alongside the core business. A more profitable core business allows a bank to borrow more and take side risks on a larger scale, offsetting lower incentives to take risk of given size. Consequently, more profitable banks may have higher risk-taking incentives. The framework is consistent with cross-sectional patterns of bank risk-taking in the run up to the recent financial crisis.

A Strategy for Developing a Market for Nonperforming Loans in Italy-Nadège Jassaud 2015-02-06 Addressing the buildup of nonperforming loans (NPLs) in Italy since the global financial crisis will remain a challenge for some time and be important for supporting a sustained, robust economic recovery. The buildup reflects both the prolonged recession as well as structural factors that have held back NPL write-offs by banks. The paper discusses the impediments to NPL resolution in Italy and a strategy for fostering a market for restructuring distressed assets that could support corporate and financial restructuring.
International Monetary Fund Annual Report 2009

The IMF’s 2009 Annual Report chronicles the response of the Fund’s Executive Board and staff to the global financial crisis and other events during financial year 2009, which covers the period from May 1, 2008, through April 30, 2009. The print version of the Report is available in eight languages (Arabic, Chinese, English, French, German, Japanese, Russian, and Spanish), along with a CD-ROM (available in English only) that includes the Report text and ancillary materials, including the Fund’s Financial Statements for FY2009.

A Guide to IMF Stress Testing

Ms. Li L Ong 2014-12-23 The IMF has had extensive involvement in the stress testing of financial systems in its member countries. This book presents the methods and models that have been developed by IMF staff over the years and that can be applied to the gamut of financial systems. An added resource for readers is the companion CD-Rom, which makes available the toolkit with some of the models presented in the book (also located at elibrary.imf.org/page/stress-test-toolkit).

Non-Performing Loans in the ECCU

Ms.Kimberly Beaton 2016-11-17 This paper assesses the determinants of NPLs in the Eastern Caribbean Currency Union (ECCU) and whether a deterioration in asset quality may result in negative feedback effects from the banking system to economic activity. The results suggest that the deterioration in asset quality can be attributed to both macroeconomic and bank-specific factors. Banks with stronger profitability and lower exposure to the construction sector and household loans tend to have lower NPLs. Further, some evidence indicates that foreign owned banks systematically have lower NPLs than domestic banks, pointing to the presence of important differences across bank practices with an impact on asset quality. Finally, the results emphasize the strength of macrofinancial feedback loops in the ECCU.

EDIS, NPLs, Sovereign Debt and Safe Assets

Andreas Dombret 2020-02-24 Why does the third leg of the European Banking Union, EDIS, remain mired in controversy? This book presents the views of senior representatives of the public and private sectors and academia on why EDIS is either necessary, counter-productive or even dangerous. No viewpoint has been excluded and the full range of issues involved is covered, including the impact on financial stability and on consolidation of the financial sector in Europe, progress on reducing NPLs, the feasibility of developing "safe bonds" and other, more practical solutions to the "doom loop" and the actual design of EDIS.

Achieving Price, Financial and Macro-Economic Stability in South Africa

Nombulelo Gumata 2021 This book explores the macro-financial effects of central bank balance sheets, macro-prudential tools, and financial regulation in South Africa. How employment can be maximised while keeping inflation low and stable is examined in relation to the structural changes required to alter the composition of South African bank balance sheets. Quantitative methods and approaches are utilised to highlight the impact of suggested policies. This book aims to outline strategies and policy interventions that can help achieve the National Development Plan in South Africa. It will be of interest to researchers and policymakers working within development economics, African economics, development finance, and financial policy.

Global Financial Stability Report, October 2019

International Monetary Fund. Monetary and Capital Markets Department 2019-10-16 The October 2019 Global Financial Stability Report (GFSR) identifies the current key vulnerabilities in the global financial system as the rise in corporate debt burdens, increasing holdings of riskier and more illiquid assets by institutional investors, and growing reliance on external borrowing by emerging and frontier market economies. The report proposes that policymakers mitigate these risks through stricter supervisory and macroprudential oversight of firms, strengthened oversight and disclosure for institutional investors, and the implementation of prudent sovereign debt management practices and frameworks for emerging and frontier market economies.

The Impact of Alternative Forms of Bank Consolidation on Credit Supply and Financial Stability

Sergio Mayordomo 2020
Between 2009 and 2011, the Spanish banking system underwent a restructuring process based on consolidation of savings banks. The program’s design allows us to study how alternative forms of consolidation affect credit supply and financial stability. We show that banks consolidating via mergers or business groups are ex-ante comparable in terms of local market’s overlap, financial and economic characteristics. We find that, relative to business groups, the market power of merged banks produces a contraction in credit supply, higher interest rates, but also a reduction in non-performing loans. To determine the welfare effects of consolidation, we estimate a structural model of credit demand and supply. In our framework, banks compete on interest rates and can ration borrowers. We also allow borrower surplus to depend on banks' survival. Through counterfactuals, we quantify cost efficiencies and improvements in financial stability that consolidation should deliver to outweigh welfare losses from reduced credit supply.

**International Convergence of Capital Measurement and Capital Standards** 2004

**Moneyball (Movie Tie-in Edition) (Movie Tie-in Editions)** Michael Lewis 2011-08-22 Explains how Billy Beene, the general manager of the Oakland Athletics, is using a new kind of thinking to build a successful and winning baseball team without spending enormous sums of money.

**Effect of Credit Reference Bureau Services on Non-Performing Loan Portfolios in Kenya** Hilary Omare 2019-10-17 Master's Thesis from the year 2016 in the subject Business economics - Investment and Finance, , course: Masters of Business Administration, language: English, abstract: The research project sought to examine the effect of listing with Credit Reference Bureau service on non-performing loans of deposit taking microfinance institutions in Kenya. The specific objectives were to assess how loan recoveries as a result of listing with credit reference bureau affects non-performing loans by deposit taking microfinance institutions in Kenya. The specific objectives were to assess how loan recoveries as a result of listing with credit reference bureau affects non-performing loans by deposit taking microfinance institutions in Kenya. The specific objectives were to assess how loan recoveries as a result of listing with credit reference bureau affects non-performing loans by deposit taking microfinance institutions in Kenya. The specific objectives were to assess how loan recoveries as a result of listing with credit reference bureau affects non-performing loans by deposit taking microfinance institutions in Kenya. Furthermore, to examine how loan quality as a result of listing with credit reference bureau affect non-performing loan in deposit taking microfinance in Kenya and what effect does listing with credit reference bureau has on non-performing loans levels in Deposit Taking Microfinance in Kenya. This research study adopted a descriptive survey approach on effect of listing with Credit Reference Bureau Service on non-performing loans of deposit taking microfinance institutions in Kenya. Further, this study targeted all registered deposit taking microfinance institutions by the Central Bank of Kenya (CBK). Target population was 12 registered Deposit taking microfinance institutions that have listed with Credit Reference Bureaus in Kenya. This study used primary data that was collected by use of a questionnaire. The data was analyzed by use of Descriptive and inferential statistics to measure interrelationships between the variables. Tables were used to display the information to improve presentation of the analyzed results for ease of interpretation. Regression analysis was used to test the relationship between dependent and independent variable. In light of the research findings, the regression model could only explain 52% in variance of non-performing loans. The study results revealed that there was a statistically significant relationship between loan recoveries and non-performance of loans (p=0.000); there was a statistically significant relationship between write offs and non-performance of loans (p=0.000) and that there was a statistically significant relationship between quality loan portfolio and non-performance of loans (p=0.000). Hence, credit information sharing and level of nonperforming loans are indeed related meaning there is a direct relationship between the number of credit checks done by the CRBs and the level of NPLs.

**Resolving Residential Mortgage Distress** Mr. Jochen R. Andritzky 2014-12-17 In housing crises, high mortgage debt can feed a vicious circle of falling housing prices and declining consumption and incomes, leading to higher mortgage defaults and deeper recessions. In such situations, resolution policies may need to be adapted to help contain negative feedback loops while minimizing overall loan losses and moral hazard. Drawing on recent experiences from Iceland, Ireland, Spain, and the United States, this paper discusses how economic trade-offs affecting mortgage resolution differ in crises. Depending on country circumstances, the economic benefits of temporary forbearance and
loan modifications for struggling households could outweigh their costs.