



PROFESSIONAL TRAINING COURSE

FLORENCE SCHOOL OF BANKING AND FINANCE

EMPIRICAL METHODS IN BANKING AND POLICY EVALUATION

Instructor:

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Teaching Associate:

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Sala del Consiglio

Villa Salviati, Via Bolognese 156 - Florence

15 - 17 MAY 2019

■ PROGRAMME

15 MAY

13.15 - 13.30 *Welcome Coffee*

13.30 - 14.00 **Welcome introduction and presentation of the School followed by a *tour de table***

14.00 - 15.30 **Session 1. Introduction**

- Empirical Banking
- Evaluation of Banking Regulation

15.30 - 16.00 *Coffee break*

16.00 - 17.30 **Session 2. Duration Analysis and Applications**

- Duration models
- Modelling of survival and duration of bank-firm connections

19.30 *Dinner*



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16 MAY

- 09.30 - 11.00 **Session 3. Event Study Methodology and Applications**
- Event study methodology
 - Loan, bank distress and merger, and regulatory announcements
- 11.00 - 11.30 *Coffee break*
- 11.30 - 13.00 **Session 4. Matching**
- Exact versus propensity score matching
 - Loan terms when firms switch banks
- 13.00 - 14.00 *Lunch*
- 14.00 - 15.30 **Session 5: Difference-in-Differences (Part 1)**
- Difference in differences methodology
 - The impact of changes in collateral regulation
- 15.30 - 16.00 *Coffee break*
- 16.00 - 17.30 **Practical Session 1: Analyzing Panel Data in STATA (Part 1)**
Matteo Gatti
- Clustering
 - Probit models
 - Fixed effects with an application to banks' credit lines
 - xtreg command
- 17.30 - 19.30 *Guided Tour on the history of banking and finance in Florence*

17 MAY

- 09.30 - 11.00 **Session 6: Difference-in-Differences (Part 2)**
- Application: Dynamic provisioning and its impact
 - Application: EBA capital exercise and impact
- 11.00 - 11.30 *Coffee break*
- 11.30 - 13.00 **Session 7: Difference-in-Differences (Part 3)**

- Application: Changes in leverage taxation and its impact

13.00 - 14.00 *Lunch*

14.00 - 15.30 **Session 8: More Elements of an Identification Strategy**

- Risk-taking channel of monetary policy
- Two-step model, interactions, fixed effects

15.30 - 16.00 *Coffee break*

16.00 - 17.15 **Practical Session 2: Analyzing Panel Data in STATA (Part 2)**
Matteo Gatti

- Fixed effects with an application to banks' credit lines
 - areg command
- The reghdfe command by Sergio Correia
- Diff-in-diff exercise with an application to banks' credit lines

17.15 - 17.30 *Closing remarks*