

# Analiză de tip Big Data pentru riscul sistemic și intervențiile guvernamentale în sectorul bancar

Reacția sectorului bancar la anunțul politicilor prudențiale în contextul pandemiei COVID-19

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# Introduction

- By employing an event study of bank stock prices, we aim to evaluate investors' responses to microprudential and macroprudential policy announcements across 93 European banks.
- Overall, we find that prudential measures lead to negative abnormal returns in bank stocks.
- However, in countries with a more independent and transparent central bank, investors have more favorable reactions to prudential policy announcements.

# Literature review

- Regulators around the world actively employ interventions to preserve financial stability and limit systemic risk. Such practices have intensified worldwide in the aftermath of the global financial crisis (GFC) and resurfaced during the recent Covid-19 pandemic crisis.
- While there is an extensive literature related to banks' stock market reaction to Covid-19 pandemic events (Acharya, Engle, and Steffen, 2021), the literature related to investors' reaction to policy interventions is inconclusive.

# Prudential policy announcements

- **Macroprudential** measures concentrate on limiting the build-up of systemic risk, aiming to enhance the resilience of the financial system.
- In comparison, **microprudential** measures target the stability of individual financial institutions.
- While these policy relaxations provided immediate relief by reducing the regulatory burden, uncertainty about their longer-term consequences persisted among investors.
- When regulators ease such policies, they could encourage banks to engage in more risky activities.

# Central bank independence

- There are several mechanisms through which variation in central bank independence (CBI) can exert influence on the market valuation of banks.
- CBI most likely affects the credibility and effectiveness of monetary policy, which in turn influences investors' confidence.
- Independent central banks are often better positioned to pursue long-term financial stability objectives, thereby potentially mitigating market volatility and uncertainty surrounding policy announcements.

# Central bank transparency

- Enhanced transparency fosters a greater market understanding of policy decisions and their underlying rationale, thereby reducing uncertainty.
- Increased transparency may lead to improved risk assessments by investors, as they gain access to more comprehensive information regarding regulatory policies and their potential implications for banking sector stability.
- Yet, too detailed information in central banks' communications can confuse investors and lead to more asymmetries in the market.

# Methodology and Data

- We compile a dataset of banks using stock prices from Refinitiv Eikon. The data consists of daily returns of 93 banks from 21 countries from Europe.
- We split our analysis into two steps: in the first step we analyze the banking market's reaction to the announcements of the macroprudential and microprudential policy measures, while in the second step we aim to explain the role of the central bank independence on policy measures transmission.
- Using an event study approach, we measure the differences between the expected returns of stock prices and the actual returns, called abnormal returns.

# Methodology and Data

- In order to compute the abnormal returns, we used the market model, as it is one of the most used models, using the MSCI World Index as the market benchmark. The market model is described in the following equation:

$$R_{it} = \alpha_i + \beta_i R_{mt} + \varepsilon_{it}$$

- To compute the abnormal returns, we subtract the expected returns, estimated using the previous formula, from the observed returns as the following formula shows:

$$AR_{it} = R_{it} - (\alpha_i + \beta_i R_{mt})$$

- We then, cumulate the abnormal returns on different windows to evaluate the market response over time:

$$CAR_i [t_1; t_2] = \sum_{t=t_1}^{t_2} AR_{it}$$

- In a similar manner, we aggregate the response across all banks:

$$CAAR [t_1; t_2] = \sum_{t=t_1}^{t_2} AAR_t$$



# The role of central bank independence on policy transmission

- To evaluate the importance of bank independence in policy transmission we run an OLS regression using CARs, estimated on three different event windows, as dependant variable:

- $CAR_i [t_1, t_2] = \beta_0 + \beta_1 \times CBI_j + \beta_2 \times Bank\ characteristics_i + \beta_3 \times Country\ characteristics_j + \varepsilon_{it}$

- $CAR_i [t_1, t_2] = \beta_0 + \beta_1 \times CBT_j + \beta_2 \times Bank\ characteristics_i + \beta_3 \times Country\ characteristics_j + \varepsilon_{it}$

# Central bank independence and transparency

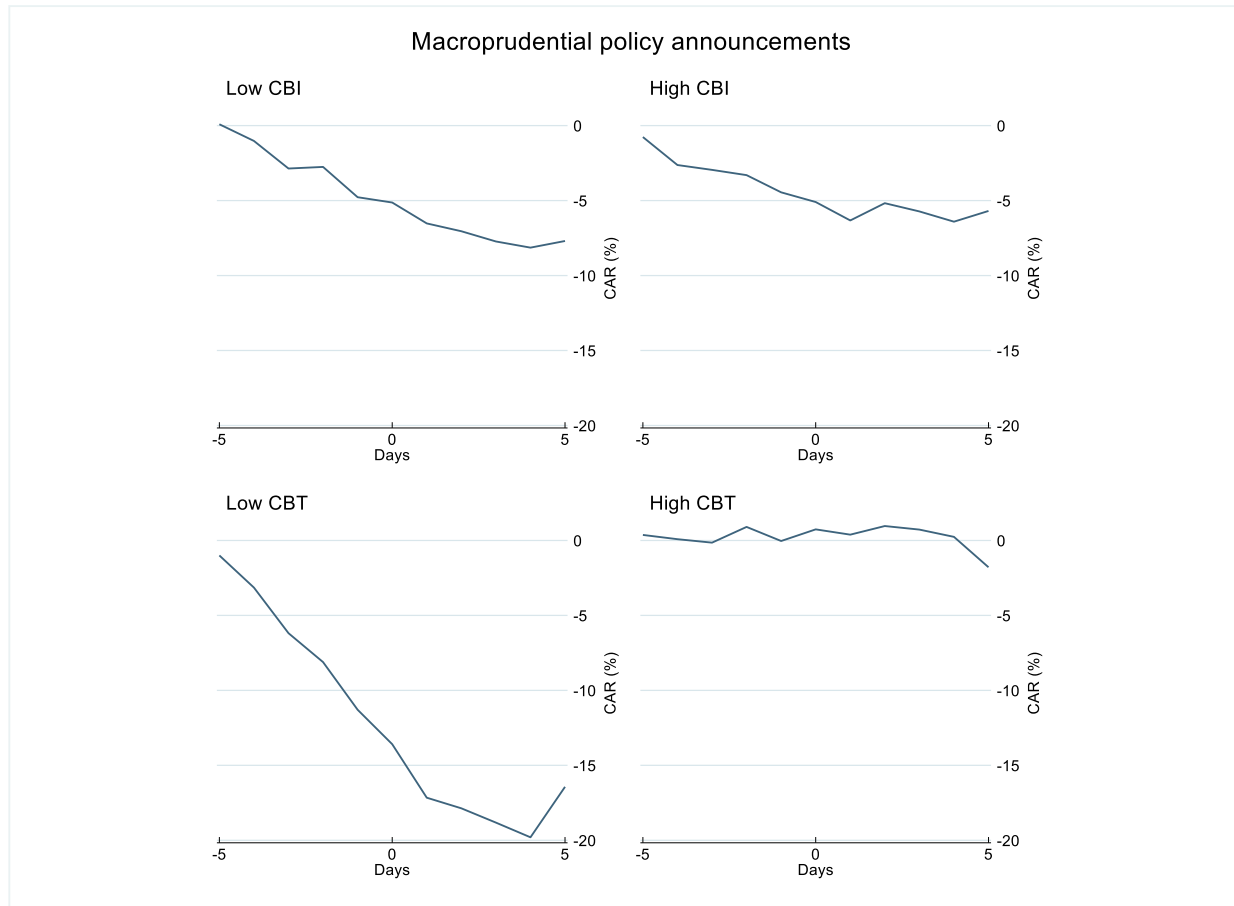
- First, we employ the CBI index from Romelli (2022) which is constructed based on 42 questions, grouped in six dimensions:
  - governor and central bank board,
  - monetary policy and conflict resolution,
  - objectives,
  - limitations on lending to the government,
  - financial independence and
  - reporting and disclosure.
- Secondly, we use CBT index from HRV Transparency Project developed by Hollyer, Rosendorff, and Vreeland (2014).
  - CBT index is constructed on national data reporting to the World Bank's World Development Indicators. The index predicts the presence or absence of data on 240 economy measures collected from the World Development Indicators.

# Results

- The overall response was negative. The table are negative and statistically significant, proving that the investors are pricing the use of capital buffers and the reduction of the regulatory constraints, perceiving them as a threat for the banking system's stability.

Sample	Model	Test	Number of banks	CAAR (-1,1)	CAAR (-1,3)	CAAR (-1,5)
Overall	MM		73	-0.035	-0.041	-0.041
		Norm		-8.371***	-7.533***	-6.327***
Low CBI	MM		48	-0.038	-0.050	-0.049
		Norm		-6.782***	-6.883***	-5.732***
High CBI	MM		25	-0.030	-0.024	-0.024
		Norm		-5.019***	-3.138***	-2.712***
Low CBT	MM		23	-0.090	-0.107	-0.083
		Norm		-10.048***	-9.130***	-5.978***
High CBT	MM		35	-0.005	-0.002	-0.027
		Norm		-0.936	-0.254	-3.232***

# Results

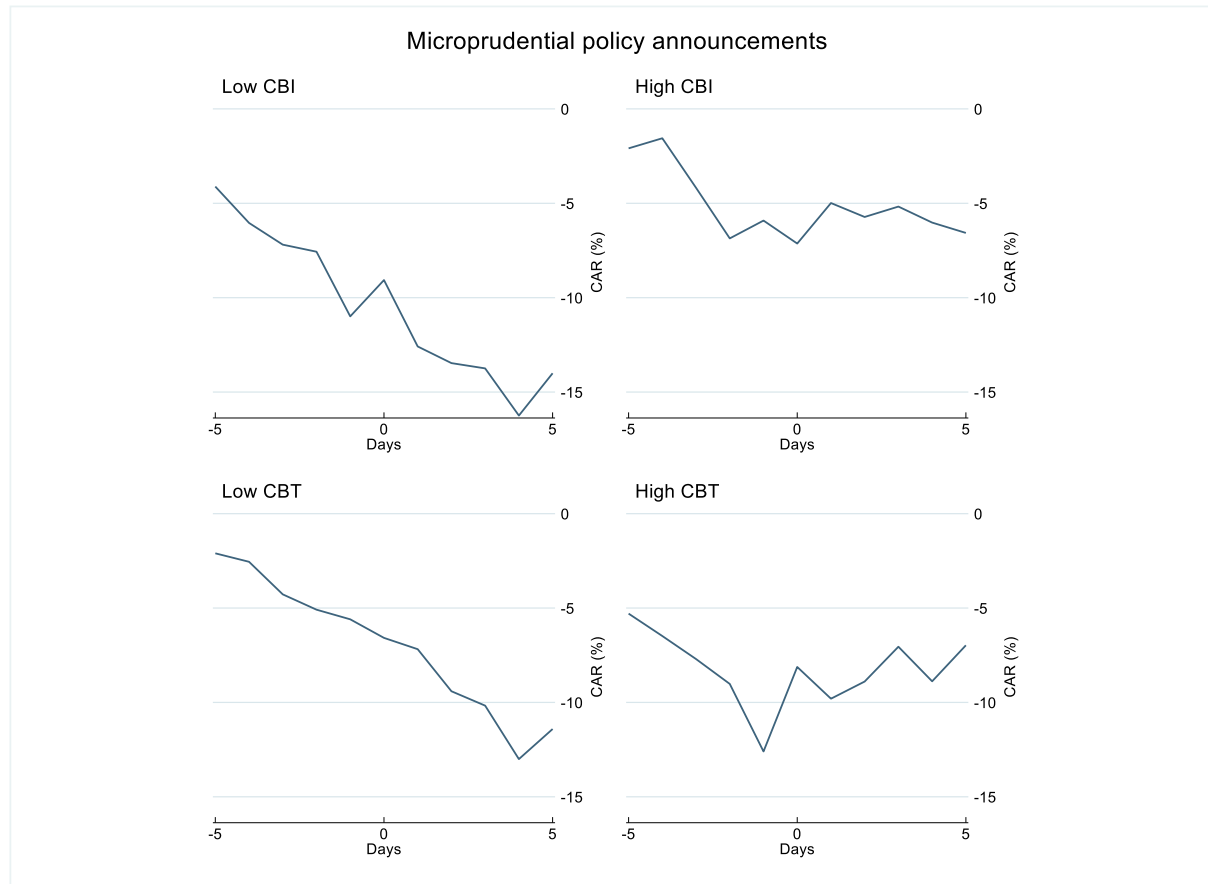


# Results

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Sample	Model	Test	Number of banks	CAAR (-1,1)	CAAR (-1,3)	CAAR (-1,5)
Overall	MM		83	-0.024	-0.032	-0.039
		Norm		-6.663***	-6.746***	-6.877***
Low CBI	MM		51	-0.050	-0.062	-0.064
		Norm		-10.141***	-9.520***	-8.352***
High CBI	MM		32	0.019	0.017	0.003
		Norm		3.833***	2.620***	0.375
Low CBT	MM		32	-0.021	-0.051	-0.063
		Norm		-3.664***	-6.858***	-7.130***
High CBT	MM		36	-0.008	0.020	0.021
		Norm		-1.397	2.688***	2.365**

# Results



# Results

- Overall, the output highlights that the independence and transparency of central bank could significantly shape investors.
- This finding suggests that enhancing the independence and transparency of central banks generates a positive effect among investors.
- The central bank transparency has a positive impact on banks' abnormal returns as well, as shown in columns (3)-(6).

Variables	(1)	(2)	(3)	(4)	(5)	(6)
	[-1;1]	[-1;3]	[-1;5]	[-1;1]	[-1;3]	[-1;5]
CBI index	44.448*** (13.964)	73.491*** (13.803)	59.888*** (14.829)			
CBT index				26.187** (12.343)	55.444*** (15.870)	48.959*** (15.795)
Size	0.865 (0.924)	0.535 (0.814)	0.585 (0.764)	1.606* (0.838)	1.103 (1.018)	1.247 (1.050)
Capital ratio	0.194 (0.569)	-0.097 (0.610)	-0.274 (0.588)	0.105 (0.526)	0.206 (0.717)	0.027 (0.726)
Debt to Liabilities	-0.066 (0.136)	-0.026 (0.091)	-0.056 (0.088)	-0.063 (0.138)	-0.017 (0.128)	-0.036 (0.129)
Investments ratio	-0.012 (0.090)	-0.002 (0.098)	0.039 (0.086)	-0.015 (0.088)	-0.045 (0.107)	0.026 (0.096)
ROE	0.012 (0.239)	-0.186 (0.250)	-0.218 (0.230)	-0.019 (0.212)	-0.129 (0.275)	-0.200 (0.267)
GDP growth	-2.715 (2.225)	-1.670 (2.125)	-1.156 (1.879)	-5.671*** (2.074)	-2.722 (2.585)	-1.116 (2.565)
Inflation	-4.814** (2.273)	-5.997** (2.289)	-1.449 (2.297)	-10.488*** (2.406)	-11.231*** (3.024)	-5.990* (3.050)
Government revenue	0.266 (0.358)	0.082 (0.374)	0.019 (0.338)	0.469 (0.367)	0.228 (0.446)	0.410 (0.449)
Covid restrictions index	-5.901 (4.268)	-12.285*** (3.322)	-8.601** (3.730)	-7.341 (4.894)	-16.913*** (5.184)	-15.036*** (5.402)
Dummy advanced economies	-5.625 (8.391)	-24.823*** (7.719)	-5.780 (7.659)	-20.008** (8.594)	-21.233** (9.240)	-1.509 (9.507)
Constant	-39.820* (23.414)	-18.900 (26.159)	-37.077 (27.823)	-7.777 (26.228)	11.984 (30.605)	-26.727 (34.035)
Observations	73	73	73	58	58	58
R-squared	0.303	0.433	0.342	0.588	0.522	0.391

# Results

- The table reports the main drivers of abnormal returns regarding microprudential policy announcements.
- The results are similar to our previous estimates, in the case of macroprudential events. Column (1)-(3) reflects a positive impact of central bank independence on abnormal returns, meanwhile columns (4)-(6) indicate a positive effect of central bank transparency.

Variables	(1)	(2)	(3)	(4)	(5)	(6)
	CAARs					
	[-1;1]	[-1;3]	[-1;5]	[-1;1]	[-1;3]	[-1;5]
CBI index	38.772*** (13.585)	73.458*** (19.272)	55.892*** (17.698)			
CBT index				29.665** (14.417)	64.988*** (21.300)	48.245** (19.119)
Size	0.205 (0.603)	-0.142 (0.869)	0.503 (0.935)	0.724 (0.694)	-0.043 (1.001)	0.039 (0.927)
Capital ratio	-0.527 (0.431)	-0.968* (0.574)	-0.640 (0.620)	0.023 (0.516)	-0.483 (0.697)	-0.468 (0.686)
Debt to Liabilities	0.153** (0.063)	0.166** (0.072)	0.161* (0.086)	0.184*** (0.061)	0.193*** (0.071)	0.241*** (0.073)
Investments ratio	0.021 (0.052)	0.020 (0.081)	0.070 (0.095)	0.071 (0.077)	0.005 (0.110)	-0.027 (0.100)
ROE	-0.029 (0.201)	-0.139 (0.286)	-0.290 (0.348)	-0.050 (0.261)	0.035 (0.360)	0.153 (0.366)
GDP growth	0.880 (1.309)	0.820 (1.671)	-1.506 (1.987)	2.603 (2.126)	4.166 (2.815)	0.176 (2.789)
Inflation	1.630 (1.936)	-2.460 (2.823)	-1.018 (2.881)	3.289 (2.900)	-3.292 (4.400)	-3.019 (4.095)
Government revenue	0.528** (0.231)	0.887** (0.342)	0.743* (0.428)	0.562 (0.531)	1.261 (0.795)	0.817 (0.755)
Covid restrictions index	-3.272 (3.870)	-6.385 (5.039)	-4.031 (4.753)	-6.922 (5.276)	-13.157 (8.019)	-7.549 (7.429)
Dummy advanced economies	13.989** (5.294)	-14.197** (6.868)	-9.565 (7.464)	32.823*** (6.701)	15.089 (10.008)	10.142 (9.110)
Constant	-69.534*** (17.668)	-64.343** (27.434)	-65.054** (28.380)	-83.860*** (22.561)	-75.379** (34.051)	-51.764 (31.198)
Observations	83	83	83	68	68	68
R-squared	0.286	0.338	0.323	0.348	0.300	0.336



# Results

## Interactions - Size

- The table presents the interactions between CBI and CBT with Size, respectively.
- The results indicate that for banks situated in countries with higher CBI, the investors negative response is enhanced by the bank size.
- The same effect is observed for banks located in countries with higher CBT.

Variables	(1)	(2)	(3)	(4)	(5)	(6)
	CAARs					
	[-1;1]	[-1;1]	[-1;3]	[-1;3]	[-1;5]	[-1;5]
Dummy CBI	60.216** (27.309)		83.378*** (28.710)		88.909*** (26.663)	
Dummy CBI*Size	-3.295** (1.530)		-4.502*** (1.670)		-4.940*** (1.550)	
Dummy CBT		76.096*** (25.687)		108.231*** (36.015)		125.098*** (34.481)
Dummy CBT*Size		-4.066*** (1.482)		-5.858*** (2.093)		-7.036*** (2.003)
Size	2.966** (1.187)	4.874*** (1.378)	3.552*** (1.179)	6.241*** (1.914)	3.637*** (1.173)	7.137*** (1.818)
Capital ratio	0.580 (0.596)	0.622 (0.594)	0.473 (0.659)	1.062 (0.689)	0.277 (0.619)	0.985 (0.630)
Debt to Liabilities	-0.042 (0.131)	-0.147 (0.134)	0.017 (0.102)	-0.109 (0.116)	-0.023 (0.093)	-0.144 (0.108)
Investments ratio	0.100 (0.106)	-0.010 (0.087)	0.161 (0.115)	-0.007 (0.104)	0.200* (0.104)	0.036 (0.087)
ROE	-0.224 (0.213)	-0.080 (0.185)	-0.531** (0.260)	-0.295 (0.287)	-0.555** (0.261)	-0.277 (0.222)
GDP growth	-3.154 (2.249)	-7.052** (2.647)	-2.232 (2.260)	-6.589** (3.000)	-1.854 (1.938)	-6.070** (2.683)
Inflations	-3.674* (2.160)	-8.962*** (2.126)	-4.363* (2.552)	-7.467** (3.024)	0.340 (2.503)	-3.119 (2.655)
Government revenue	0.079 (0.347)	0.197 (0.410)	-0.233 (0.375)	-0.593 (0.471)	-0.251 (0.325)	-0.570 (0.445)
Covid restrictions index	-1.912 (4.035)	-4.468 (3.207)	-5.564 (3.604)	-8.026** (3.963)	-2.913 (3.000)	-6.844* (3.744)
Dummy advanced economies	-0.866 (7.977)	-21.811** (9.036)	-16.920** (8.301)	-28.984*** (9.300)	1.184 (7.487)	-13.056 (8.527)
Constant	-49.755 (29.884)	-51.297* (29.864)	-26.576 (35.214)	-36.040 (37.526)	-54.915* (32.783)	-75.060** (34.150)
Observations	73	58	73	58	73	58
R-squared	0.266	0.640	0.314	0.535	0.288	0.487

# Results

## Interactions

### Government debt

- The table presents the interactions between CBI and CBT with Government debt, respectively.
- The results indicate that for banks situated in countries with higher CBI or higher CBT, the Government debt has negative impact on CARs.

Variables	(1)	(2)	(3)	(4)	(5)	(6)
	CAARs					
	[-1;1]	[-1;1]	[-1;3]	[-1;3]	[-1;5]	[-1;5]
Dummy CBI	47.487*** (10.253)		36.597*** (6.730)		25.510*** (7.404)	
Dummy CBI*Government debt	-0.625*** (0.108)		-0.481*** (0.079)		-0.384*** (0.082)	
Dummy CBT		137.134*** (29.459)		21.796 (37.721)		28.693 (37.355)
Dummy CBT*Government debt		-3.101*** (0.606)		-0.768 (0.754)		-0.934 (0.744)
Government debt	0.214*** (0.075)	2.927*** (0.584)	0.180*** (0.059)	0.753 (0.727)	0.090 (0.059)	0.920 (0.711)
Size	2.098** (0.853)	1.860* (0.915)	1.935** (0.876)	1.811* (1.057)	1.579* (0.881)	1.583 (1.180)
Capital ratio	0.727 (0.522)	0.256 (0.528)	0.758 (0.476)	1.211* (0.630)	0.576 (0.499)	1.022 (0.611)
Debt to Liabilities	-0.033 (0.113)	0.029 (0.131)	-0.002 (0.084)	0.056 (0.108)	-0.061 (0.082)	0.017 (0.118)
Investments ratio	0.011 (0.080)	-0.027 (0.095)	0.030 (0.092)	-0.043 (0.108)	0.057 (0.082)	0.001 (0.089)
ROE	0.105 (0.232)	0.247 (0.248)	-0.070 (0.243)	0.180 (0.276)	-0.086 (0.220)	0.141 (0.240)
GDP growth	-2.796 (2.133)	-8.539*** (2.475)	-3.173 (2.074)	-12.789*** (3.621)	-4.184** (1.897)	-11.522*** (3.422)
Inflations	-0.286 (3.096)	-25.446*** (5.592)	2.238 (2.410)	-0.321 (5.629)	6.380** (3.131)	2.777 (7.059)
Government revenue	0.431 (0.304)	2.612*** (0.695)	0.007 (0.382)	-0.613 (0.984)	-0.188 (0.352)	-0.500 (0.982)
Covid restrictions index	-8.745 (5.432)	-17.139*** (6.211)	-7.503** (2.936)	1.750 (8.450)	-1.381 (3.656)	-0.445 (7.988)
Dummy advanced economies	6.124 (7.823)	-64.721*** (8.855)	-1.813 (6.984)	-27.792*** (10.121)	13.714* (8.079)	-13.700 (10.839)
Constant	-66.561*** (20.721)	-126.055*** (40.929)	-41.090 (28.779)	0.851 (54.671)	-47.716 (30.202)	-22.738 (59.780)
Observations	61	46	61	46	61	46
R-squared	0.560	0.671	0.392	0.538	0.351	0.476

# Results

## Interactions

### Z-score

- The table presents the interactions between CBI and CBT with the distance to default, respectively.
- The results indicate that for banks situated in countries with higher CBI or higher CBT, the distance to default has negative impact on CARs.

Variables	(1)	(2)	(3)	(4)	(5)	(6)
	[-1;1]	[-1;1]	[-1;3]	[-1;3]	[-1;5]	[-1;5]
dummy CBI	19.656*** (6.421)		20.267** (9.540)		25.016** (9.492)	
dummy CBI*Z-score	-0.511** (0.237)		-0.471 (0.361)		-0.723** (0.334)	
Dummy CBT		58.571*** (11.281)		81.963*** (21.182)		80.535*** (16.966)
Dummy CBT*Z-score		-2.140*** (0.403)		-2.811*** (0.733)		-2.815*** (0.610)
Z-score	0.187* (0.107)	1.793*** (0.344)	0.173 (0.148)	2.299*** (0.573)	0.179 (0.138)	2.269*** (0.498)
Size	0.762 (0.574)	-0.487 (0.823)	0.856 (0.907)	-1.017 (1.306)	1.363 (0.855)	-1.273 (1.205)
Capital ratio	-0.229 (0.432)	-0.639 (0.487)	-0.615 (0.649)	-1.163 (0.747)	-0.345 (0.672)	-1.234* (0.677)
Debt to Liabilities	0.107 (0.068)	0.156** (0.063)	0.143* (0.083)	0.211*** (0.078)	0.132 (0.095)	0.241*** (0.073)
Investments ratio	0.028 (0.058)	0.017 (0.075)	0.035 (0.088)	-0.023 (0.115)	0.073 (0.093)	-0.073 (0.102)
ROE	-0.053 (0.205)	-0.002 (0.208)	-0.234 (0.274)	0.002 (0.337)	-0.411 (0.303)	0.183 (0.315)
GDP growth	0.353 (1.181)	6.672*** (2.016)	0.125 (1.532)	9.559** (3.702)	-2.721 (1.869)	6.368** (2.880)
Inflations	0.452 (2.400)	16.917*** (3.351)	-3.498 (3.631)	17.713*** (6.553)	-2.479 (2.953)	16.546*** (5.175)
Government revenue	0.146 (0.209)	-0.289 (0.284)	0.272 (0.319)	-0.100 (0.477)	0.315 (0.381)	-0.204 (0.469)
Covid restrictions index	-0.444 (2.981)	11.898*** (3.315)	-0.382 (4.041)	16.280*** (5.770)	-0.057 (3.844)	17.650*** (5.240)
Dummy advanced economies	11.995* (6.660)	82.934*** (13.366)	-12.985 (10.003)	86.349*** (26.879)	-12.933 (9.188)	82.515*** (19.814)
Constant	-39.939** (17.969)	160.191*** (31.865)	-13.514 (31.452)	186.759*** (59.128)	-22.689 (30.007)	169.197*** (43.657)
Observations	82	68	82	68	82	68
R-squared	0.310	0.542	0.234	0.402	0.286	0.490

# Results

## Interactions

### Government owned banks

- The positive effect of central bank independence and transparency on banks' market valuation is reduced in countries with more government ownership in the banking sector.

Variables	(1)	(2)	(3)	(4)	(5)	(6)
	CAARs					
	[-1;1]	[-1;1]	[-1;3]	[-1;3]	[-1;5]	[-1;5]
dummy CBI	17.800*** (3.547)		22.664*** (5.522)		19.930*** (5.920)	
dummy CBI*Government owned banks	-0.988*** (0.276)		-1.292*** (0.435)		-1.176** (0.486)	
Dummy CBT		13.081* (6.583)		30.771*** (7.084)		19.951** (7.908)
Dummy CBT*Government owned banks		-1.699*** (0.534)		-3.687*** (0.635)		-2.392*** (0.667)
Government owned banks	0.462** (0.224)	1.706*** (0.403)	0.535 (0.343)	3.338*** (0.508)	0.293 (0.330)	2.515*** (0.532)
Size	-0.186 (0.586)	1.864*** (0.625)	-0.314 (0.939)	2.222*** (0.763)	0.306 (0.978)	1.816** (0.750)
Capital ratio	-0.683* (0.402)	0.419 (0.517)	-1.108* (0.636)	0.336 (0.642)	-0.786 (0.680)	0.126 (0.661)
Debt to Liabilities	0.057 (0.055)	0.257*** (0.086)	0.076 (0.077)	0.366*** (0.110)	0.069 (0.089)	0.395*** (0.109)
Investments ratio	-0.002 (0.061)	0.015 (0.080)	-0.009 (0.104)	-0.104 (0.093)	0.024 (0.118)	-0.140 (0.092)
ROE	-0.078 (0.168)	0.259 (0.259)	-0.246 (0.270)	0.565* (0.317)	-0.388 (0.336)	0.619* (0.347)
GDP growth	-2.740*** (0.993)	2.071 (2.698)	-3.900** (1.478)	4.502* (2.592)	-6.124*** (1.555)	-0.785 (3.068)
Inflations	1.074 (2.250)	-1.285 (3.644)	-2.488 (3.532)	-10.764** (4.432)	-0.350 (3.062)	-9.377* (4.682)
Government revenue	-0.131 (0.243)	1.371*** (0.501)	-0.245 (0.301)	3.033*** (0.605)	-0.418 (0.273)	1.918*** (0.617)
Covid restrictions index	-6.510** (2.888)	-7.458** (3.107)	-5.868 (4.679)	-13.408*** (4.165)	-2.234 (4.036)	-7.840* (4.333)
Dummy advanced economies	2.775 (7.148)	20.608 (14.980)	-23.703** (10.168)	-2.579 (15.300)	-17.600* (9.483)	-7.880 (18.220)
Constant	17.798 (21.388)	-119.081*** (40.290)	59.227* (35.239)	-163.345*** (39.734)	42.883 (34.741)	-101.437** (47.241)
Observations	76	63	76	63	76	63
R-squared	0.434	0.459	0.304	0.516	0.325	0.509

# Robustness checks

	Macprudential measures		Microprudential measures	
	CBI	CBT	CBI	CBT
<b>Alternative Y's</b>				
CAPM	+***	+**	+***	+**
FF	+	+	+***	+**
eurostoxx	+**	+**	+***	+**
<b>150days estimation</b>				
[-1;1]	+***	+**	+***	+***
[-1;3]	+***	+***	+***	+***
[-1;5]	+***	+***	+***	+***
<b>Alternative event windows</b>				
[0;0]	+*	+	+***	+***
[0;1]	+**	+	+***	+**
[0;2]	+***	+***	+***	+***
<b>Alternative CBI indices</b>				
[-1;1]	+***/+**		+***/+**	
[-1;5]	+***		+***/+**	
<b>Alternative CBT indices</b>				
[-1;1]		+**		+***
[-1;5]		+***		+***
<b>Additional controls</b>				
[-1;1]	+**	+*	+***	+***
[-1;5]	+***	+***	+***	+***

# Robustness checks

- Central bank independence alternative definitions
  - CBI Board index
  - CBI Objectives index
  - CBI Finance index
  - LVAW
  - CWNE
- Central bank transparency alternative definitions
  - CBT index mean
  - CBT index upper bound
  - CBT index lower bound

# Conclusions

- We provide empirical evidence that central bank independence and transparency could shape investors' reaction to the announcements of prudential intervention policies.
- Overall, our empirical findings indicate that prudential policy events lead to negative abnormal returns in bank stocks.
- Exploring cross-country differences, we document that this effect is mitigated in jurisdictions with higher central bank independence and transparency.
- An enhanced independence of the central bank gives them greater autonomy to conduct monetary policy and act independently of the politicians' objectives, fulfilling their regulator role in order to maintain macroeconomic stability.

Thank you for your attention!