

Accepted Manuscript

Identifying Banking Crises Using Money Market Pressure: New Evidence For A Large Set of Countries

Zhongbo Jing, Jakob de Haan, Jan Jacobs, Haizhen Yang

PII: S0164-0704(14)00108-6

DOI: <http://dx.doi.org/10.1016/j.jmacro.2014.09.001>

Reference: JMACRO 2733

To appear in: *Journal of Macroeconomics*

Received Date: 11 May 2014

Accepted Date: 8 September 2014



Please cite this article as: Jing, Z., Haan, J.d., Jacobs, J., Yang, H., Identifying Banking Crises Using Money Market Pressure: New Evidence For A Large Set of Countries, *Journal of Macroeconomics* (2014), doi: <http://dx.doi.org/10.1016/j.jmacro.2014.09.001>

This is a PDF file of an unedited manuscript that has been accepted for publication. As a service to our customers we are providing this early version of the manuscript. The manuscript will undergo copyediting, typesetting, and review of the resulting proof before it is published in its final form. Please note that during the production process errors may be discovered which could affect the content, and all legal disclaimers that apply to the journal pertain.

Identifying Banking Crises Using Money Market Pressure:

New Evidence For A Large Set of Countries

Zhongbo Jing ^{a, b, c}, Jakob de Haan ^{b, d, e}, Jan Jacobs ^{b, f, g, h, *}, and Haizhen Yang ^c

^a School of Management Science and Engineering, Central University of Finance and Economics, Beijing, China

^b University of Groningen, Groningen, the Netherlands

^c School of Management, University of Chinese Academy of Sciences, Beijing, China

^d De Nederlandsche Bank, Amsterdam, the Netherlands

^e CESifo, Munich, Germany

^f CAMA, Australian National University, Canberra, Australia

^g CIRANO, Montréal, Canada

^h University of Tasmania, Australia

Final version 6 September 2014

Abstract

We construct a money market pressure index based on central bank reserves and the short-term nominal interest rate to identify banking crises, thereby extending the index proposed by Von Hagen and Ho (2007), also in terms of the number of countries covered. We compare the crises identified by both indices with crises according to Laeven and Valencia. Both indices identify more crises than the Laeven-Valencia database. The crises identified by our index are more in line with the Laeven-Valencia crises than those identified by the Von Hagen-Ho index, while our index also gives fewer ‘false’ signals.

Keywords: banking crises, money market pressure index

JEL code: C43, E44, G21

*Corresponding author: Jan P.A.M. Jacobs, Faculty of Economics and Business, University of Groningen, PO Box 800, 9700 AV Groningen, The Netherlands. Tel: +31 50 363 3681. Fax: +31 50 363 7337. Email: j.p.a.m.jacobs@rug.nl.

Download English Version:

<https://daneshyari.com/en/article/965297>

Download Persian Version:

<https://daneshyari.com/article/965297>

[Daneshyari.com](https://daneshyari.com)