

# Online Appendix to International Banking and Cross-Border Effects of Regulation: Lessons from Poland

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**Table A1. Summary Statistics**

<b>Balance Sheet Characteristics</b>	<b>Median</b>	<b>75th Percentile</b>
Log Total Assets	15.4	16.7
Capital Adequacy Ratio	13.9	19.5
Illiquid Assets Ratio	85.6	94.6
Net Due To Affiliates/Liabilities	0.0	8.8
Core Deposits Ratio	19.16	35.9
Loans (Ln Change)	2.3	7.1
Domestic Loans (Ln Change)	2.3	7.1
Foreign Loans (Ln Change)	—	—

Table A2. Summary Statistics on Changes in Prudential Policies

Instrument	Inward: Specification B					Proportion HomeP <sub>t</sub> Non-zero
	No. of Country- Time Changes	No. of Country- Time Changes (Tightening)	No. of Country- Time Changes (Loosening)	No. of Bank- Time Changes		
Prudential Index	52	43	9	110	0.052	
General Capital Requirements	28	28	0	53	0.025	
Sector-Specific Capital Buffer	4	3	1	5	0.002	
Loan-to-Value Ratio Limits	12	8	4	19	0.009	
Reserve Requirements: Foreign	0	0	0	0	0.000	
Reserve Requirements: Local	9	0	9	23	0.011	
Interbank Exposure Limit	5	5	0	30	0.014	
Concentration Ratio	8	8	0	24	0.011	

**Source:** IBRN.

**Notes:** This table shows summary statistics on changes in prudential instruments for banks located in Poland over the period 2000–13. Data on the instruments come from the IBRN Prudential Instruments Database described in Cerutti et al. (2017) and are on the quarterly level. The number of changes in prudential instruments is reported on several dimensions, i.e., on the country-time level and on the bank-time level. The last column shows the share of prudential changes to total observations (i.e., the share of non-zero observations). The reported data are based on the regression sample.

**Table A3. Inward Transmission of Home Macroprudential Policy via Affiliates**  
 $\Delta Y_{b,j,t} = \alpha_0 + (\alpha_1 HomeP_{j,t} + \alpha_2 HomeP_{j,t-1} + \alpha_3 HomeP_{j,t-2}) + \alpha_4 X_{b,j,t-1}$   
 $+ \alpha_5 Z_{j,t} + f_b + f_t + \epsilon_{b,j,t}$

	HomeP = Prudential IndexC (1)	HomeP = Capital Requirements (2)	HomeP = Sector-Specific Capital Buffer (3)	HomeP = LTV Ratio (4)	HomeP = Reserve Requirements: Local (5)	HomeP = Interbank Exposure Limits (6)	HomeP = Concentration Ratios (7)
Home-Country Regulation HomeP <sub>t</sub>	0.476 (0.431) 0.288	-0.638 (0.734) 0.399	-2.337 (2.310) 0.329	1.195 (1.575) 0.461	3.506** (1.502) 0.035	-0.598 (0.693) 0.402	1.051 (0.765) 0.191
Home-Country Regulation HomeP <sub>t-1</sub>	0.723 (0.731) 0.339	0.257 (0.739) 0.733	-1.032 (2.400) 0.674	-0.524 (0.925) 0.580	3.002** (1.210) 0.026	0.203 (0.797) 0.803	1.350 (0.963) 0.183
Home-Country Regulation HomeP <sub>t-2</sub>	-0.467 (0.432) 0.298	-1.377** (0.583) 0.033	0.984 (1.925) 0.617	2.637*** (0.749) 0.003	1.472 (1.261) 0.262	-1.624** (0.587) 0.015	-0.964 (0.737) 0.212
Log Total Assets <sub>t-1</sub>	-1.327 (1.038) 0.222	-1.321 (1.040) 0.225	-1.306 (1.036) 0.228	-1.304 (1.043) 0.232	-1.304 (1.042) 0.231	-1.315 (1.037) 0.225	-1.322 (1.039) 0.224
Capital Adequacy Ratio <sub>t-1</sub>	-0.032 (0.023) 0.193	-0.030 (0.023) 0.221	-0.031 (0.023) 0.206	-0.031 (0.023) 0.204	-0.030 (0.024) 0.235	-0.030 (0.023) 0.213	-0.031 (0.023) 0.201
Illiquid Assets Ratio <sub>t-1</sub>	-0.009 (0.029) 0.772	-0.009 (0.029) 0.770	-0.009 (0.029) 0.754	-0.009 (0.029) 0.759	-0.008 (0.028) 0.775	-0.009 (0.029) 0.773	-0.009 (0.029) 0.758
Net Due To (Head Office) <sub>t-1</sub>	0.005 (0.013) 0.718	0.006 (0.013) 0.641	0.005 (0.014) 0.711	0.004 (0.014) 0.796	0.007 (0.014) 0.656	0.005 (0.014) 0.708	0.005 (0.014) 0.706
Core Deposits Ratio <sub>t-1</sub>	0.069 (0.055) 0.235	0.067 (0.054) 0.235	0.067 (0.055) 0.242	0.068 (0.055) 0.237	0.065 (0.055) 0.251	0.068 (0.055) 0.235	0.068 (0.055) 0.233

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Table A3. (Continued)

	HomeP = Prudential IndexC (1)	HomeP = Capital Requirements (2)	HomeP = Sector-Specific Capital Buffer (3)	HomeP = LTV Ratio (4)	HomeP = Reserve Requirements: Local (5)	HomeP = Interbank Exposure Limits (6)	HomeP = Concentration Ratios (7)
BIS Financial Cycle (Home Country)	0.018 (0.036) 0.625	0.017 (0.036) 0.636	0.019 (0.037) 0.621	0.019 (0.037) 0.618	0.017 (0.036) 0.651	0.016 (0.036) 0.660	0.018 (0.036) 0.633
BIS Business Cycle (Home Country)	0.251 (0.228) 0.291	0.272 (0.233) 0.262	0.273 (0.228) 0.252	0.279 (0.227) 0.239	0.254 (0.228) 0.283	0.287 (0.226) 0.224	0.255 (0.236) 0.297
Observations	1,909	1,909	1,909	1,909	1,909	1,909	1,909
R <sup>2</sup>	0.309	0.309	0.308	0.309	0.310	0.308	0.309
Adjusted R <sup>2</sup>	0.258	0.258	0.257	0.259	0.260	0.258	0.258
No. of Banks	72	72	72	72	72	72	72
Time Period	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Bank Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
LHS Variable: Loans	1	1	1	1	1	1	1
LHS Variable: Other	(Name Other)	(Name Other)	(Name Other)	(Name Other)	(Name Other)	(Name Other)	(Name Other)
Sample of Banks: Domestic Owned	0	0	0	0	0	0	0
Sample of Banks: Foreign Owned	0	0	0	0	0	0	0
Sample of Banks: Domestic and Foreign Owned	1	1	1	1	1	1	1
Sum (HomeP <sub>t</sub> + HomeP <sub>t-1</sub> + HomeP <sub>t-2</sub> = 0)	2.391	4.123	-2.391	6.617	4.360	-0.469	1.913
F-test (HomeP <sub>t</sub> + HomeP <sub>t-1</sub> + HomeP <sub>t-2</sub> = 0)	0.360	0.434	0.584	0.169	0.564	0.840	0.420

**Notes:** This table reports the effects of changes in parent-country regulation and firm characteristics on log changes in total loans. The data are quarterly from 2002:Q1 to 2014:Q4. HomeP refers to the changes in regulation in the home (i.e., parent-bank) country of foreign affiliates. For more details on the variables, see table 10 in the appendix of the main paper. Each column gives the result for the regulatory measure specified in the column headline. All specifications include fixed effects as specified in the lower part of the table. Standard errors are clustered by country. \*\*\*, \*\*, and \* indicate significance at the 1 percent, 5 percent, and 10 percent level, respectively.

**Table A4. Inward Transmission of Home Macroprudential Policy via Affiliates—Bank Variables Interactions**

$$\Delta Y_{b,j,t} = \alpha_0 + (\alpha_1 HomeP_{j,t} + \alpha_2 HomeP_{j,t-1} + \alpha_3 HomeP_{j,t-2}) + \alpha_4 \bar{X}_{b,j,t-1} + \alpha_5 Z_{j,t} + (\beta_1 HomeP_{j,t} \cdot X_{b,t-1} + \beta_2 HomeP_{j,t-1} \cdot X_{b,t-1} + \beta_3 HomeP_{j,t-2} \cdot X_{b,t-2}) + f_b + f_t + \epsilon_{b,j,t}$$

	HomeP = Prudential IndexC (1)	HomeP = Capital Requirements (2)	HomeP = LTV Ratio (3)	HomeP = Reserve Requirements: Local (4)	HomeP = Interbank Exposure Limits (5)	HomeP = Concentration Ratios (6)
Home-Country Regulation HomeP <sub>t</sub>	-25.95*** (7.431) 0.00359	-6.218 (6.054) 0.322	-51.59 (42.11) 0.241	-21.50 (15.18) 0.179	-26.02*** (5.505) 0.000325	8.834 (11.15) 0.441
Home-Country Regulation HomeP <sub>t-1</sub>	-7.217 (13.73) 0.607	10.48 (11.10) 0.361	-27.29 (52.35) 0.610	-12.88 (12.17) 0.308	16.72*** (5.435) 0.00820	-26.82 (24.28) 0.288
Home-Country Regulation HomeP <sub>t-2</sub>	-12.94 (7.601) 0.111	16.50 (17.26) 0.355	27.90 (47.47) 0.566	-26.60*** (5.298) 0.000187	7.159* (3.788) 0.0797	14.79 (21.95) 0.511
Log Total Assets <sub>t-1</sub>	-1.424 (1.027) 0.187	-1.135 (1.077) 0.309	-1.327 (1.093) 0.245	-1.239 (1.117) 0.286	-1.360 (1.063) 0.221	-1.341 (1.079) 0.234
Capital Adequacy Ratio <sub>t-1</sub>	-0.0409 (0.0270) 0.152	-0.0377 (0.0279) 0.198	-0.0332 (0.0251) 0.208	-0.0346 (0.0260) 0.205	-0.0399 (0.0254) 0.139	-0.0357 (0.0247) 0.169
Illiquid Assets Ratio <sub>t-1</sub>	-0.00889 (0.0280) 0.755	0.00178 (0.0260) 0.947	-0.0138 (0.0283) 0.632	-0.000149 (0.0263) 0.996	-0.00538 (0.0276) 0.848	-0.00956 (0.0278) 0.736
Net Due To (Head Office) <sub>t-1</sub>	0.0121 (0.0133) 0.378	0.00920 (0.0165) 0.586	0.00632 (0.0157) 0.693	0.00347 (0.0160) 0.831	0.00893 (0.0136) 0.521	0.00720 (0.0141) 0.617

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Table A4. (Continued)

	HomeP = Prudential IndexC (1)	HomeP = Capital Requirements (2)	HomeP = LTV Ratio (3)	HomeP = Reserve Requirements: Local (4)	HomeP = Interbank Exposure Limits (5)	HomeP = Concentration Ratios (6)
Core Deposits Ratio <sub>t-1</sub>	0.0847 (0.0533) 0.134	0.0798 (0.0534) 0.157	0.0794 (0.0550) 0.171	0.0760 (0.0534) 0.177	0.0791 (0.0539) 0.164	0.0812 (0.0545) 0.158
BIS Financial Cycle (Home Country)	0.0158 (0.0376) 0.681	0.0177 (0.0377) 0.646	0.0155 (0.0371) 0.682	0.0142 (0.0366) 0.705	0.0122 (0.0374) 0.750	0.0144 (0.0363) 0.697
BIS Business Cycle (Home Country)	0.184 (0.235) 0.447	0.220 (0.237) 0.370	0.275 (0.232) 0.257	0.215 (0.239) 0.383	0.296 (0.233) 0.224	0.236 (0.241) 0.344
Log Total Assets*HomeP	2.575	0.529	0.389	1.998	0.997	-0.362
<i>F-test p-value</i>	0.00569	0.655	0.966	0.141	0.161	0.778
Capital Adequacy Ratio*HomeP	0.220	0.183	0.0644	0.132	0.209	-0.262
<i>F-test p-value</i>	0.0217	0.172	0.903	0.586	0.172	0.937
Illiquid Assets Ratio*HomeP	0.0731	-0.350	0.472	0.409	-0.206	0.246
<i>F-test p-value</i>	0.606	0.0103	1.14e-05	0.00273	0.00181	0.228
Net Due To (Head Office)*HomeP	-0.0914	-0.132	0.115	0.0191	-0.127	-0.181
<i>F-test p-value</i>	0.122	0.0833	0.642	0.747	0.215	0.0835
Core Deposits Ratio*HomeP	-0.0944	-0.153	0.336	-0.0257	0.0329	-0.0697
<i>F-test p-value</i>	0.140	0.166	0.622	0.783	0.714	0.736
Observations	1,836	1,836	1,836	1,836	1,836	1,836
R <sup>2</sup>	0.326	0.326	0.321	0.322	0.321	0.319
Adjusted R <sup>2</sup>	0.270	0.269	0.265	0.266	0.265	0.263
No. of Banks	72	72	72	72	72	72
Time Period	2002:Q1- 2014:Q4	2002:Q1- 2014:Q4	2002:Q1- 2014:Q4	2002:Q1- 2014:Q4	2002:Q1- 2014:Q4	2002:Q1- 2014:Q4
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
Bank Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes

(continued)

Table A4. (Continued)

	HomeP = Prudential IndexC (1)	HomeP = Capital Requirements (2)	HomeP = LTV Ratio (3)	HomeP = Reserve Requirements: Local (4)	HomeP = Interbank Exposure Limits (5)	HomeP = Concentration Ratios (6)
	(1/0) (Name Other)	(1/0) (Name Other)	(1/0) (Name Other)	(1/0) (Name Other)	(1/0) (Name Other)	(1/0) (Name Other)
LHS Variable: Loans	1					
LHS Variable: Other	(Name Other)					
Sample of Banks: Domestic Owned	0	0	0	0	0	0
Sample of Banks: Foreign Owned	0	0	0	0	0	0
Sample of Banks: Domestic and Foreign Owned	1	1	1	1	1	1
Sum (HomeP <sub>t</sub> + HomeP <sub>t-1</sub> + HomeP <sub>t-2</sub> = 0)	-46.10	20.77	-50.98	-60.99	-2.135	-3.199
F-test (HomeP <sub>t</sub> + HomeP <sub>t-1</sub> + HomeP <sub>t-2</sub> = 0)	0.0690	0.470	0.717	0.0566	0.864	0.906
Net Effect	1.060	-1.228	3.800	5.963	-0.267	4.322
<i>p-value</i>	0.417	0.415	0.456	0.114	0.895	0.217
Contemporaneous Net Effect	0.910	-0.128	1.791	2.423	-0.328	3.097
<i>p-value</i>	0.0594	0.872	0.467	0.176	0.687	0.000669

**Notes:** This table reports the effects of changes in regulation and firm characteristics and their interactions on log changes in total loans. The data are quarterly from 2002:Q1 to 2014:Q4. HomeP refers to the changes in regulation in the home (i.e., parent-bank) country of foreign affiliates. For HomeP interaction effects, the reported coefficient is the sum of the contemporaneous term and two lags, with the corresponding F-statistics for joint significance in parentheses. For more details on the variables, see table 10 in the appendix of the main paper. Each column gives the result for the regulatory measure specified in the column headline. All specifications include time and bank fixed effects. Standard errors are clustered by country. \*\*\*, \*\*, and \* indicate significance at the 1 percent, 5 percent, and 10 percent level, respectively.

**Table A5. Inward Transmission of Home Macroeprudential Policy via Affiliates—Cycle Interactions**  
 $\Delta Y_{b,j,t} = \alpha_0 + \alpha_1 HomeP_{cum,b,t} + \alpha_2 X_{b,j,t-1} + \alpha_3 Z_{j,t} + \alpha_4 HomeP_{cum,j,t} \cdot Z_{j,t} + f_b + f_t + \epsilon_{b,j,t}$

	HomeP = Prudential IndexC (1)	HomeP = Capital Requirements (2)	HomeP = Sector-Specific Capital Buffer (3)	HomeP = LTV Ratio (4)	HomeP = Reserve Requirements: Local (5)	HomeP = Exposure Limits (6)	HomeP = Concentration Ratios (7)
Cumulative Home-Country Regulation HomeP <sub>cum</sub>	-0.825** (0.289) 0.0126	-1.653*** (0.366) 0.000486	-2.736 (1.824) 0.156	0.220 (0.533) 0.686	1.605 (0.698) 0.149	-0.382 (0.807) 0.643	0.0243 (0.481) 0.960
Log Total Assets <sub>t-1</sub>	-1.325 (0.878) 0.154	-1.349 (0.939) 0.173	-1.555 (0.997) 0.141	-1.421 (0.932) 0.149	-1.408 (0.956) 0.163	-1.530 (0.973) 0.138	-1.338 (0.940) 0.176
Capital Adequacy Ratio <sub>t-1</sub>	-0.0490* (0.0271) 0.0923	-0.0506* (0.0273) 0.856	-0.0612* (0.0299) 0.0597	-0.0578* (0.0280) 0.0575	-0.0573* (0.0296) 0.0734	-0.0491 (0.0297) 0.120	-0.0590* (0.0293) 0.0634
Illiquid Assets Ratio <sub>t-1</sub>	-0.0126 (0.0273) 0.652	-0.00795 (0.0252) 0.757	-0.00695 (0.0265) 0.797	-0.00714 (0.0264) 0.791	-0.00663 (0.0290) 0.823	-0.0110 (0.0270) 0.690	-0.00629 (0.0269) 0.818
Net Due To (Head Office) <sub>t-1</sub>	0.00837 (0.0139) 0.557	0.00380 (0.0133) 0.780	-0.00625 (0.0126) 0.629	-0.00260 (0.0133) 0.848	-0.000515 (0.0143) 0.972	0.000748 (0.0135) 0.956	-0.00233 (0.0137) 0.867
Core Deposits Ratio <sub>t-1</sub>	0.0603 (0.0632) 0.357	0.0714 (0.0589) 0.245	0.0792 (0.0611) 0.216	0.0782 (0.0603) 0.216	0.0679 (0.0598) 0.276	0.0675 (0.0597) 0.277	0.0740 (0.0595) 0.234
BIS Financial Cycle (Home Country)	-0.000976 (0.0301) 0.975	0.0250 (0.0404) 0.546	0.0212 (0.0484) 0.669	0.00484 (0.0436) 0.913	0.0384 (0.0569) 0.511	-0.00936 (0.0331) 0.781	0.0225 (0.0381) 0.564

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Table A5. (Continued)

	HomeP = Prudential IndexC (1)	HomeP = Capital Requirements (2)	HomeP = Sector-Specific Capital Buffer (3)	HomeP = LTV Ratio (4)	HomeP = Reserve Requirements: Local (5)	HomeP = Interbank Exposure Limits (6)	HomeP = Concentration Ratios (7)
BIS Business Cycle (Home Country)	0.503** (0.208) 0.0296	0.346 (0.249) 0.186	0.220 (0.249) 0.392	0.279 (0.217) 0.219	0.319 (0.296) 0.300	0.364 (0.269) 0.197	0.282 (0.244) 0.268
BIS Financial Cycle* HomeP <sub>cum</sub>	0.0196** (0.00679) 0.0120	-0.0578 (0.0386) 0.157	0.0193 (0.0320) 0.556	0.0310 (0.0200) 0.143	0.0301 (0.0379) 0.441	0.113 (0.0648) 0.103	-0.0406 (0.0367) 0.287
BIS Business Cycle* HomeP <sub>cum</sub>	-0.240** (0.100) 0.0312	-0.384 (0.323) 0.254	0.306* (0.158) 0.0732	-0.0641 (0.373) 0.866	0.0729 (0.198) 0.718	0.0578 (0.118) 0.631	-0.449*** (0.140) 0.00642
Observations	1,972	1,972	1,972	1,972	1,972	1,972	1,972
R <sup>2</sup>	0.301	0.296	0.294	0.292	0.293	0.303	0.294
Adjusted R <sup>2</sup>	0.252	0.247	0.245	0.243	0.243	0.254	0.245
No. of Banks	72	72	72	72	72	72	72
Time Period	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4
Time Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Bank Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes
LHS Variable: Loans	1	1	1	1	1	1	1
LHS Variable: Other	(Name Other)	(Name Other)	(Name Other)	(Name Other)	(Name Other)	(Name Other)	(Name Other)
Sample of Banks: Domestic Owned	0	0	0	0	0	0	0
Sample of Banks: Foreign Owned	0	0	0	0	0	0	0
Sample of Banks: Domestic and Foreign Owned	1	1	1	1	1	1	1

**Notes:** This table reports the effects of changes in regulation and firm characteristics, business and financial cycles, and their interactions on log changes in total loans. The data are quarterly from 2002:Q1 to 2014:Q4. HomeP<sub>cum</sub> refers to the cumulative changes in regulation in the home (i.e., parent-bank) country affiliates. For more details on the variables, see table 10 in the appendix of the main paper. Each column gives the result for the regulatory measure specified in the column headline. All specifications include fixed effects as specified in the lower part of the table. Standard errors are clustered by country. \*\*\*, \*\*, and \* indicate significance at the 1 percent, 5 percent, and 10 percent level, respectively.

**Table A6. Inward Transmission of Home versus Host Macroprudential Policy via Affiliates**  
 $\Delta Y_{b,j,t} = \alpha_0 + (\alpha_1 HomeP_{j,t} + \alpha_2 HomeP_{j,t-1} + \alpha_3 HomeP_{j,t-2}) + \alpha_4 X_{b,t-1} + \alpha_5 Z_{j,t} + \alpha_6 Z_{host,t} + (\beta_1 HostP_t + \beta_2 HostP_{t-1} + \beta_3 HostP_{t-2}) + f_b + \epsilon_{b,j,t}$

	HomeP = Prudential IndexC (1)	HomeP = Capital Requirements (2)	HomeP = Sector-Specific Capital Buffer (3)	HomeP = LTV Ratio (4)	HomeP = Reserve Requirements: Local (5)	HomeP = Concentration Ratios (6)
Home-Country Regulation HomeP <sub>t</sub>	0.361 (0.561) 0.530	-0.924 (0.836) 0.288	-2.398 (2.298) 0.314	0.557 (1.693) 0.747	4.486*** (0.379) 1.12e-08	0.381 (0.882) 0.672
Home-Country Regulation HomeP <sub>t-1</sub>	0.886 (0.787) 0.280	0.512 (1.118) 0.654	-1.573 (2.667) 0.565	0.213 (0.926) 0.822	0.545 (0.838) 0.526	1.261 (1.271) 0.338
Home-Country Regulation HomeP <sub>t-2</sub>	0.135 (0.525) 0.800	-1.184 (0.925) 0.222	1.285 (2.423) 0.604	2.809*** (0.917) 0.00841	1.949* (0.914) 0.0512	-1.033 (0.617) 0.116
Log Total Assets <sub>t-1</sub>	-1.950* (1.099) 0.0977	-1.703 (1.022) 0.118	-1.743 (1.005) 0.105	-1.913 (1.144) 0.117	-1.757 (0.999) 0.100	-1.784* (0.999) 0.0958
Capital Adequacy Ratio <sub>t-1</sub>	-0.0432 (0.0399) 0.297	-0.0366 (0.0383) 0.356	-0.0393 (0.0376) 0.314	-0.0429 (0.0411) 0.314	-0.0394 (0.0376) 0.312	-0.0396 (0.0374) 0.308
Illiquid Assets Ratio <sub>t-1</sub>	-0.0117 (0.0283) 0.685	-0.0117 (0.0268) 0.669	-0.0109 (0.0280) 0.702	-0.0118 (0.0284) 0.684	-0.00860 (0.0266) 0.751	-0.0120 (0.0277) 0.671
Net Due To (Head Office) <sub>t-1</sub>	-0.0291** (0.0133) 0.0468	-0.0221 (0.0131) 0.115	-0.0270* (0.0136) 0.0667	-0.0298** (0.0138) 0.0489	-0.0236 (0.0142) 0.119	-0.0231 (0.0141) 0.124

(continued)

Table A6. (Continued)

	HomeP = Prudential IndexC (1)	HomeP = Capital Requirements (2)	HomeP = Sector-Specific Capital Buffer (3)	HomeP = LTV Ratio (4)	HomeP = Reserve Requirements: Local (5)	HomeP = Concentration Ratios (6)
Core Deposits Ratio <sub>t-1</sub>	0.0444 (0.0511) 0.400	0.0474 (0.0485) 0.345	0.0433 (0.0499) 0.400	0.0429 (0.0520) 0.424	0.0439 (0.0496) 0.391	0.0478 (0.0500) 0.355
BIS Financial Cycle (Home Country)	0.0240 (0.0351) 0.505	0.0189 (0.0340) 0.588	0.0214 (0.0338) 0.537	0.0236 (0.0342) 0.503	0.0202 (0.0345) 0.568	0.0198 (0.0339) 0.568
BIS Business Cycle (Home Country)	0.574*** (0.127) 0.000477	0.607*** (0.127) 0.000300	0.649*** (0.125) 0.000139	0.622*** (0.131) 0.000320	0.559*** (0.133) 0.000877	0.577*** (0.138) 0.000920
BIS Financial Cycle (Host Country)	0.0779 (0.0679) 0.270	0.0566 (0.0609) 0.368	0.0676 (0.0637) 0.307	0.0752 (0.0668) 0.279	0.0689 (0.0620) 0.285	0.0567 (0.0615) 0.372
BIS Business Cycle (Host Country)	0.601** (0.218) 0.0153	0.650*** (0.240) 0.0171	0.524** (0.216) 0.0292	0.580** (0.226) 0.0223	0.650** (0.220) 0.0104	0.715*** (0.252) 0.0132
Host-Country Regulation HostP <sub>t</sub>	-0.0136 (0.181) 0.941	-2.765*** (1.203) 0.0375	0.231 (0.151) 0.149	0.278 (1.130) 0.809	1.235** (0.498) 0.0264	-1.079 (0.965) 0.283
Host-Country Regulation HostP <sub>t-1</sub>	0.318 (0.276) 0.268	0.622 (0.976) 0.534	-0.305* (0.147) 0.0564	1.210 (1.548) 0.448	-0.161 (0.507) 0.756	2.137*** (0.911) 0.0343
Host-Country Regulation HostP <sub>t-2</sub>	0.287 (0.257) 0.284	-0.943 (0.636) 0.160	-0.525* (0.247) 0.0518	0.254 (0.883) 0.778	0.629 (0.503) 0.231	3.134*** (0.880) 0.00314

(continued)

Table A6. (Continued)

	HomeP = Prudential IndexC (1)	HomeP = Capital Requirements (2)	HomeP = Sector-Specific Capital Buffer (3)	HomeP = LTV Ratio (4)	HomeP = Reserve Requirements: Local (5)	HomeP = Concentration Ratios (6)
Observations	1,836	1,836	1,836	1,836	1,836	1,836
R <sup>2</sup>	0.256	0.262	0.257	0.256	0.263	0.263
Adjusted R <sup>2</sup>	0.220	0.226	0.221	0.220	0.228	0.227
No. of Banks	72	72	72	72	72	72
Time Period	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4	2002:Q1–2014:Q4
Home-Country Fixed Effects	No	No	No	No	No	No
Time Fixed Effects	No	No	No	No	No	No
Bank Fixed Effects	Yes	Yes	Yes	Yes	Yes	Yes
LHS Variable: Loans	1	1	1	1	1	1
LHS Variable: Other	(Name Other)	(Name Other)	(Name Other)	(Name Other)	(Name Other)	(Name Other)
Sample of Banks: Domestic Owned	0	0	0	0	0	0
Sample of Banks: Foreign Owned	0	0	0	0	0	0
Sample of Banks: Domestic and Foreign Owned	1	1	1	1	1	1
Sum (HomeP <sub>t</sub> + HomeP <sub>t-1</sub> + HomeP <sub>t-2</sub> = 0)	1.382	-1.596	-2.686	3.578	6.980	0.609
F-test (HomeP <sub>t</sub> + HomeP <sub>t-1</sub> + HomeP <sub>t-2</sub> = 0)	0.411	0.542	0.679	0.292	0.00268	0.778
Sum (HostP <sub>t</sub> + HostP <sub>t-1</sub> + HostP <sub>t-2</sub> = 0)	0.591	-3.086	-0.599	1.742	1.702	4.192
F-test (HostP <sub>t</sub> + HostP <sub>t-1</sub> + HostP <sub>t-2</sub> = 0)	0.177	0.244	0.163	0.578	0.167	0.0407

**Notes:** This table reports the effects of changes in parent-country regulation and firm characteristics on log changes in total loans. The data are quarterly from 2002:Q1 to 2014:Q4. HomeP refers to the changes in regulation in the home (i.e., parent-bank) country of foreign affiliates. HostP refers to the changes in regulation in the host country of foreign affiliates and thus changes only over time. For more details on the variables, see table 10 in the appendix of the main paper. Each column gives the result for the regulatory measure specified in the column headline. All specifications include bank fixed effects as specified in the lower part of the table. Standard errors are clustered by country. \*\*\*, \*\*, and \* indicate significance at the 1 percent, 5 percent, and 10 percent level, respectively.

**Table A7. Inward and Outward Transmission of  
Macroprudential Policy—Including All  
Instruments Jointly**

	<b>P = ExpP Inward A1 (1)</b>	<b>P = HomeP Inward B1 (2)</b>	<b>P = DestP Outward 1 (3)</b>
Log Total Assets <sub>t-1</sub>		-1.289 (1.051)	
Tier 1 Ratio <sub>t-1</sub>		0.240 -0.030 (0.024)	
Illiquid Assets Ratio <sub>t-1</sub>		0.237 -0.008 (0.028)	
Net Due To (Head Office) <sub>t-1</sub>		0.777 0.006 (0.014)	
Core Deposits Ratio <sub>t-1</sub>		0.674 0.066 (0.054)	
BIS Financial Cycle		0.242 0.018 (0.036)	
BIS Business Cycle		0.630 0.286 (0.216)	
P = Capital Requirements <i>F-test p-value</i>		0.207 -2.005 <i>0.744</i>	
P = Sector-Specific Capital Buffer <i>F-test p-value</i>		0.0816 <i>0.969</i>	
P = Loan-to-Value Ratio <i>F-test p-value</i>		2.844 <i>0.216</i>	
P = Reserve Requirements: Foreign <i>F-test p-value</i>			
P = Reserve Requirements: Local <i>F-test p-value</i>		8.040 <i>0.0736</i>	
P = Interbank Exposure Limits <i>F-test p-value</i>		-2.313 <i>0.193</i>	
P = Concentration Ratios <i>F-test p-value</i>		1.016 <i>0.523</i>	

(continued)

**Table A7. (Continued)**

	<b>P = ExpP Inward A1 (1)</b>	<b>P = HomeP Inward B1 (2)</b>	<b>P = DestP Outward 1 (3)</b>
Observations		1,909	
R <sup>2</sup>		0.315	
Adjusted R <sup>2</sup>		0.259	
No. of Destination Countries			
No. of Banks		72	
Time Period		2002:Q1–2014:Q4	
Destination-Country Fixed Effects	No	No	Yes
Time Fixed Effects	No	Yes	Yes
Bank Fixed Effects	Yes	Yes	Yes
LHS Variable: Loans	(1/0)	(1/0)	(1/0)
LHS Variable: Other	(Name Other)	(Name Other)	(Name Other)
Sample of Banks: Domestic Owned	(1/0)	(1/0)	(1/0)
Sample of Banks: Foreign Owned	(1/0)	(1/0)	(1/0)
Sample of Banks: Domestic and Foreign Owned	(1/0)	(1/0)	(1/0)
<p><b>Notes:</b> This table reports the effects of changes in regulation and firm characteristics on log changes in total loans by destination country. The data are quarterly from 2002:Q1 to 2014:Q4 for a panel of bank holding companies. The columns report results on the different specifications: inward A1, inward B1, and outward 1. Foreign-exposure-weighted regulation ExpP is calculated as the weighted average of changes in foreign regulation where the weights are total assets and liabilities of the bank in the respective foreign country. HomeP refers to the changes in regulation in the home (i.e., parent-bank) country of foreign affiliates. DestP refers to the changes in regulation in the destination country of the loan. For each prudential measure P, the reported coefficient is the sum of the contemporaneous term and two lags, with the corresponding F-statistics for joint significance in parentheses. For more details on the variables, see table 10 in the appendix of the main paper. All specifications include fixed effects as specified in the lower part of the table. Standard errors are clustered by country. ***, **, and * indicate significance at the 1 percent, 5 percent, and 10 percent level, respectively.</p>			