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Sommario/riassunto	This paper develops a framework for analyzing macro-financial linkages in the United States. We estimate the effects of a negative shock to banks' capital/assetratio on lending standards, which in turn affect consumer credit, mortgages, and corporate loans, and the corresponding components of private spending (consumption, residential investment and business investment). In addition, our empirical model allows for feedback from spending and income to bank capital adequacy and credit. Hence, we trace the full credit cycle. An exogenous fall in the bank capital/asset ratio by one percentage point reduces real GDP by some 1½ percent through its effects on credit availability, while an exogenous fall in demand of 1 percent of GDP is gradually magnified to around 2 percent through financial feedback effects.