1.	Record Nr.	UNINA9910963611703321
	Autore	López-Espinosa Germán
	Titolo	Systemic Risk and Asymmetric Responses in the Financial Industry / / Germán López-Espinosa, Antonio Rubia, Laura Valderrama, Antonio Moreno
	Pubbl/distr/stampa	Washington, D.C. : , : International Monetary Fund, , 2012
	ISBN	9781475581201 1475581203 9781475517569 1475517564
	Edizione	[1st ed.]
	Descrizione fisica	1 online resource (39 p.)
	Collana	IMF Working Papers
	Altri autori (Persone)	MorenoAntonio RubiaAntonio ValderramaLaura
	Disciplina	332.10684
	Soggetti	Risk assessment Finance Accounting Banking Banks and Banking Banks and banking Banks Commercial banks Depository Institutions Diffusion Processes Dynamic Quantile Regressions Dynamic Treatment Effect Models Econometric analysis Econometrics & economic statistics Econometrics Finance, Public Finance: General Financial Crises Financial Institutions and Services: General Financial institutions Financial reporting, financial statements Financial risk management Financial sector policy and analysis Financial statements

General Financial Markets: General (includes Measurement and Data)
General Financial Markets: Government Policy and Regulation
Government securities
Investment & securities
Investments: General
Micro Finance Institutions
Mortgages
Multiple or Simultaneous Equation Models
Multiple Variables: General
Public Administration
Public financial management (PFM)
Public Sector Accounting and Audits
Systemic risk
Time-Series Models
Treasury bills and bonds
Vector autoregression
United States

Lingua di pubblicazione	Inglese
Formato	Materiale a stampa
Livello bibliografico	Monografia
Note generali	Description based upon print version of record.
Nota di bibliografia	Includes bibliographical references.
Nota di contenuto	Cover; Contents; I. Introduction; II. Modeling Systemic Risk: CoVaR; III. Asymmetric CoVaR; A. Estimation and Inference; IV. Data; V. Downside Comovement in the U.S. Banking Industry; A. Main Empirical Results; B. Discussion; C. Robustness Checks; Bank holding companies and commercial banks; Nonlinear models; Returns of different representative portfolios and other considerations; VI. Concluding Remarks; Figures; 1. Comparison of median estimates from the symmetric and asymmetric CoVaR models; 2. Cross-sectional median estimates of the decile-based coefficients; Tables 1. Sample descriptives for the total and the filtered samples2. Descriptive statistics for economic and financial state variables; 3. Median estimates for the symmetric and asymmetric CoVaR; 4. Estimates across size-sorted deciles for the symmetric and asymmetric CoVaR; 5. Estimates across liabilities-sorted deciles for the symmetric and asymmetric CoVaR; 6. Estimates across BHCs and CBs for the symmetric and asymmetric CoVaR; References
Sommario/riassunto	To date, an operational measure of systemic risk capturing non-linear tail comovement between system-wide and individual bank returns has not yet been developed. This paper proposes an extension of the so-called CoVaR measure that captures the asymmetric response of the banking system to positive and negative shocks to the market-valued balance sheets of individual banks. For the median of our sample of U.S. banks, the relative impact on the system of a fall in individual market value is sevenfold that of an increase. Moreover, the downward bias in systemic risk from ignoring this asymmetric pattern increases with bank size. The conditional tail comovement between the banking system and a top decile bank which is losing market value is 5.4 larger than the unconditional tail comovement versus only 2.2 for banks in

the bottom decile. The asymmetric model also produces much better estimates and fitting, and thus improves the capacity to monitor systemic risk. Our results suggest that ignoring asymmetries in tail interdependence may lead to a severe underestimation of systemic risk in a downward market.