Fabrizio Crespi · Danilo V. Mascia

Bank Funding Strategies

The Use of Bonds and the Bail-in Effect

palgrave
macmillan

Contents

1 The Funding Strategies of European Banks: A Discussion 1
1.1 Introduction 2
1.2 Bank Funding Strategies: Literature Review and Main Topics 4
1.3 The Funding Structures of European Banks: Evidence from Aggregated Data 27
1.4 Conclusions 46
References 46

2 The Funding Strategies of Italian Banks: The Importance of Bonds 49
2.1 Introduction 50
2.2 The Italian Banking System: An Overview 51
2.3 The Funding Strategies of Italian Banks: Evidence from Aggregated Data 56
2.4 Households Investments in Banks' Bonds: A Changed Game 61
2.5 Conclusions 66
References 67

3 The Different Types of Bonds Issued by Italian Banks: An Overview 69
3.1 Introduction 70
3.2 Rules and Legislation Governing Banks' Bonds Issuance: A Short Summary 71
3.3 The Main Features of Italian Bank Bonds: Evidence from a Comprehensive Database 80
3.4 The Characteristics of Bonds: Some Examples 86
3.5 Conclusions 90
References 91

4 The Bail-in Effect: How the Cost of Funding Through Bonds has Changed After the Introduction of the BRRD 93
4.1 Introduction 94
4.2 The BRRD 95
4.3 The Bail-in Tool 98
4.4 The Effect of *Bail-in* on the Cost of Funding Through Bonds of Italian Banks: An Empirical Analysis 100
4.5 The New Approach to Bank Resolution After the Introduction of the BRRD—*Case Studies* 108
4.6 Conclusions 113
References 114

Conclusions 117

Appendices A1 and A2 119

References 143

Index 145