Working paper No. 396

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In this paper we find empirical evidence of bank lending channel for Colombia and Argentina. As for

Argentina, we do not find evidence that changes in the interbank interest rate affect the growth rate of total loans directly. However, it does indirectly through interactions: the interbank interest rate affects the loan supply through its interactions with capitalization and liquidity. As for Colombia, there is direct bank lending channel, which is reinforced through interactions with capitalization and liquidity. Also, using a panel data of more than 3300 firms, we provide additional support to the existence of a bank lending channel for Colombia.

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