

Banka Slovenije
in cooperation with
the Research Centre of the School of Economics and Business
invites you to a seminar

When Faced With Reality: How Extreme Weather Events Influence Bank Lending

Authors and speakers:
Matej Marinč, Domen Pavlič, Matjaž Volk

The seminar will be held in the
Banka Slovenije, Cankarjeva 1, Ljubljana – 4th floor (passage between Cankarjeva and Tomšičeva)
on Tuesday, 9 September 2025 at 14:00

Abstract:

Authors combine precise geolocation data on firms with detailed loan-level information to examine how an extreme weather event influences banks' perceptions of climate-related risks. They focus on the severe flooding that occurred in Slovenia in August 2023 and analyse changes in the borrowing terms offered to firms situated in flood-prone areas that were not directly affected by the disaster. Authors find that banks revise their assessment of climate risk following the flood, as evidenced by tighter lending conditions for exposed firms. Specifically, high-risk firms experience a decline in outstanding loan amounts and an increase in borrowing costs. Authors also find some evidence that the impact is more pronounced for loans with low maturity and no collateral and less pronounced for firms with a relationship with a single bank.

About the authors:

Matej Marinč is a full professor at the School of Economics and Business, University of Ljubljana. His main area of research is financial intermediation. His articles have been published in several international journals, including Journal of Financial Stability, European Journal of Law and Economics, International Review of Financial Analysis, Journal of International Financial Markets, Institutions & Money, Finance Research Letters, and Industrial and Corporate Change, and in books (e.g., The Economics of Bank Bankruptcy, Springer). His work has been presented at many international conferences. He also serves as an associate editor of Electronic Commerce Research and as a reviewer for several international journals. Matej Marinč holds a PhD in economics from the University of Amsterdam.

Domen Pavlič is an Analyst at the Banka Slovenije, where he works in the Analysis and Research department. He is a PhD candidate in the Economics programme at the School of Economics and Business, University of Ljubljana. His research interests focus on macroeconomic dynamics, with particular interest in inflation developments, structural and time series models, and the economic impact of extreme weather events on bank lending and broader economic activity.

Matjaž Volk joined the monetary policy analysis division in the Banka Slovenije in July 2021, where his main field of work is bank-based transmission of monetary policy. Previously he worked in the area of financial stability, starting his career in 2009 in the Banka Slovenije and later joined the stress test modelling division at the European Central Bank in 2018, where he contributed to development of macroprudential stress test model. His research in the field of empirical banking has been published in the Journal of Banking and Finance, International Journal of Central Banking, Quarterly Review of Economics and Finance, and others. He holds a PhD in economics from University of Ljubljana.

How to sign up:

To sign up for the seminar, please send an email to seminar@bsi.si. You can sign up by Monday, 8 September 2025. The seminar will be held in English.