

Speech at the Ljubljana Workshop of MPC Task Force on Banking Analysis for Monetary Policy

18. 9. 2025

Good morning, and welcome to the 11th Research Workshop of the MPC Task Force on Banking Analysis for Monetary Policy.

My name is Tina Žumer, and I am Vice Governor of Banka Slovenije. I am delighted that Banka Slovenije has the opportunity to host this workshop of a task force dedicated to banking analysis—an area of work that has supported me directly as a policymaker, both in my capacity as a member of the Board of Banka Slovenije and as our institution's representative in the ECB's Governing Council.

Monetary policy transmission has always been at the forefront not only of research and analysis but also of central bank decision-making. Its importance was underscored during the recent tightening cycle, when the Governing Council, in order to better steer policy expectations, began explicitly communicating its reaction function. Since then, every policy statement has made clear that interest rate decisions are guided not only by the inflation outlook and the surrounding risks, but also by the dynamics of underlying inflation and the strength of monetary policy transmission—signalling just how central transmission has become in the policy process.

Banks, as financial intermediaries, play a pivotal role in this regard. By adjusting the conditions offered to borrowers and depositors, they influence the incentives of households and firms, thereby affecting economic activity and, ultimately, inflation. Given the bank-dependent structure of financing in the euro area, this channel deserves particular attention.

Banking analysis has been an integral part of the evolution of monetary analysis—once one of the two original pillars of Eurosystem analysis framework—into what we now refer to as monetary and financial analysis. Over time, monetary analysis has shifted from its primary role of identifying risks to price stability over the medium to longer term, towards placing greater emphasis on assessing the transmission of monetary policy. Within the new framework adopted by the Eurosystem in 2021, which integrates economic analysis with monetary and financial analysis, banks occupy a particularly prominent role. For example, policymakers are now regularly briefed on the key factors shaping the strength of transmission.

Research workshops such as this one extend the frontiers of policy-relevant analysis.

When I looked at the titles of the sessions and the abstracts of the papers to be presented over the next two days, I was struck by both their timeliness and their policy relevance. The contributions enrich the literature on the banking channel—by questioning established views, examining reinforcing dynamics in credit markets, exploring new dimensions of lending activity, assessing the implications of geopolitical shocks for banks, and highlighting their interactions with monetary policy.

I am particularly pleased to see that several papers also touch on financial stability, whose interplay with monetary policy has been explicitly recognized by the Governing Council since the 2021 ECB Strategy Review.

Another highly important aspect of this task force is its history of data innovation. To the best of my knowledge, its predecessor was created to harmonize the first Eurosystem-wide bank-level micro database. The resulting IBSI and IMIR datasets gave researchers and policymakers the ability to study bank financing patterns not only at the country level but also across more granular cross-sections. These were later complemented by the harmonized credit registry, AnaCredit, which has enabled more precise, well-identified research on bank-based transmission. These datasets have also been actively used by researchers at Banka Slovenije, both for academic work and as an input into staff policy recommendations.

Looking ahead, the value of these common data initiatives and research efforts will be fully realized only if we continue to deepen our cooperation. Beyond the exchange of knowledge at workshops such as this, we should strive to further integrate our analytical work into the decision-making process—ensuring that insights from banking analysis directly inform and strengthen monetary policy deliberations across the Eurosystem.

Before handing over to the Task Force chair, let me thank all presenters, discussants, and session chairs for their contributions, as well as the ECB team—especially Maria, Franziska, and Carlo—for their invaluable role in helping to organizing this event.

I wish you all a pleasant stay in Ljubljana and I look forward to the discussions and insights that will emerge from your work.

Thank you.