

**Discussion on the paper by Giuliana, Panfilo,
Peltonen**

***“Deposit flows during monetary
tightening: The role of digital
banking and social media”***



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7th annual AWG and MPAG Workshop
1 July 2024, Riga

Short summary of the results

- Banks offering extensive digital services exhibit higher deposit instability
 - More pronounced inflows between mid-2020 and early 2022
 - Greater outflow risk during monetary tightening
 - Some impact on NFC deposit rates
- Banks affected by negative Twitter sentiment experience weaker deposit inflows
- Indicators of more digital banks (with different robustness checks):
 - The number of Google Reviews scaled by the amount of deposits
 - Average vote expressed by the users of Google Reviews
 - The deposit-to-employee ratio



Results are intuitive and robust, so nice work

Digital bank vs bank with high digitalization

Digital bank

“a financial institution that operates primarily online, offering banking services without the need for physical branches”



Mobile banking

“the use of mobile devices such as smartphones and tablets to access and manage banking services and accounts”



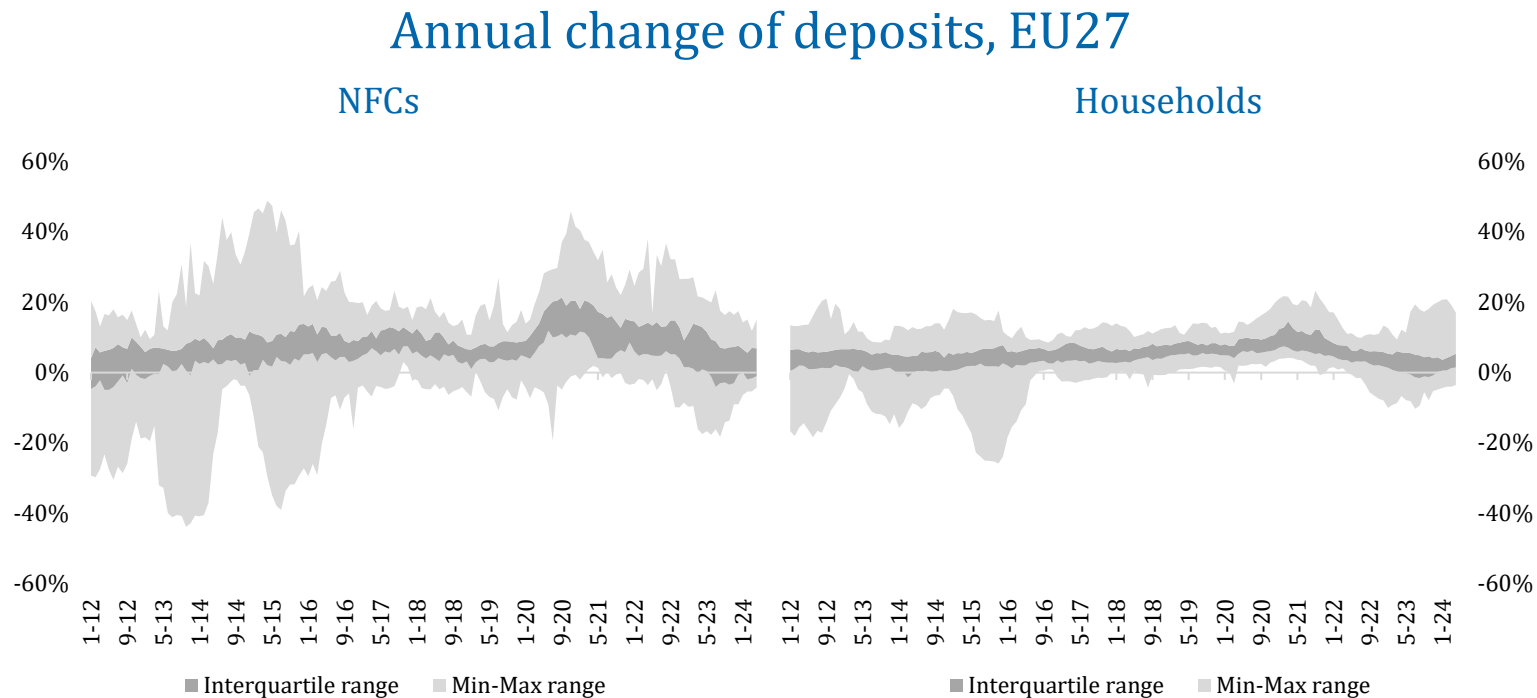
Online banking

“a service provided by banks that allows customers to conduct financial transactions and manage their accounts through the bank's website”



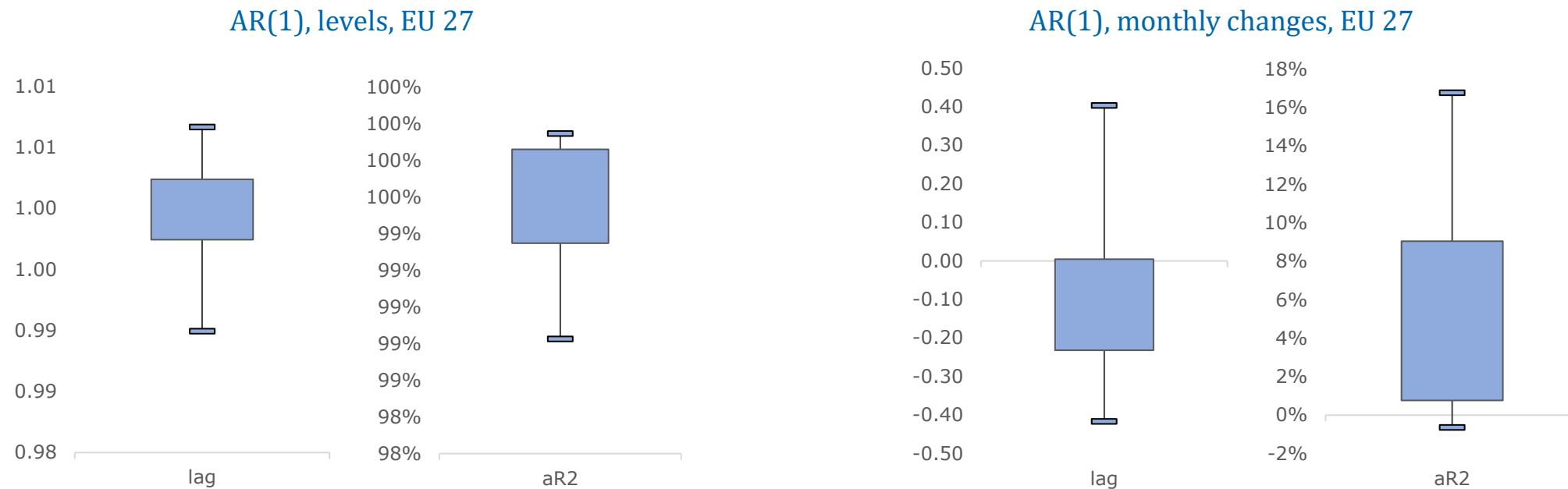
Deposits: overall vs sectoral

- NFC deposits more volatile, also more a liquidity tool
- Banks with higher share of NFC deposits may exhibit even stronger flows than estimated
- Household deposits: depends on the structure of deposits and the socio-demographic characteristics of depositors



Specifications

- Deposits exhibit some autoregressive feature
- Dynamic panel model can be an interesting alternative



Thank you for your attention!