

When the Spare Tyre Goes Flat

Monetary Policy Transmission through Non-Banks

Goncharenko and Lukmanova (2026)

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Non-bank credit in the EA

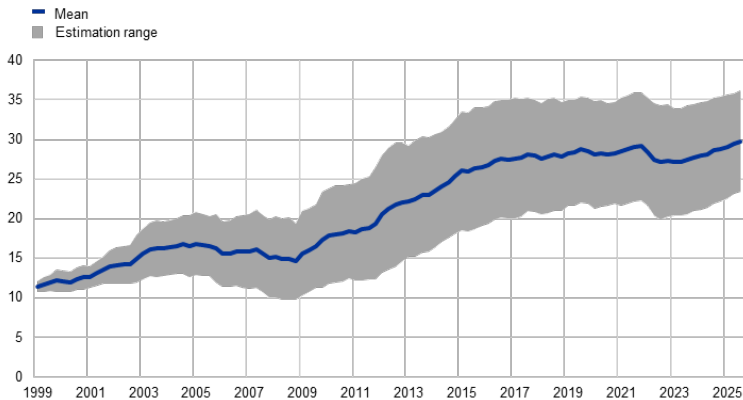


Figure 1: Share of non-bank credit to non-financial corporations

Non-bank credit in Ireland

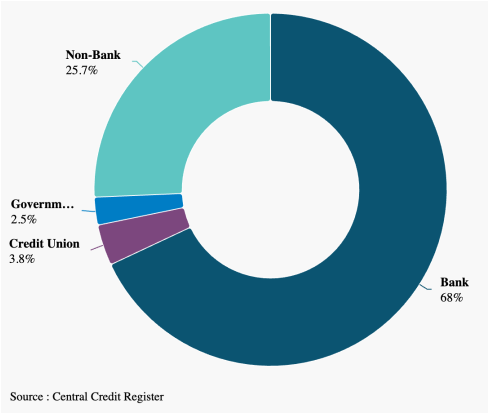


Figure 2: Outstanding loans, by originator

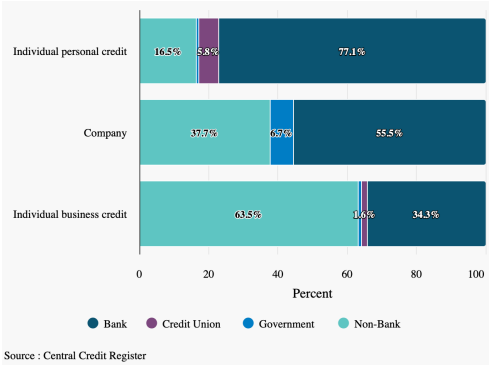


Figure 3: Outstanding loans, by destination, by originator

Overview

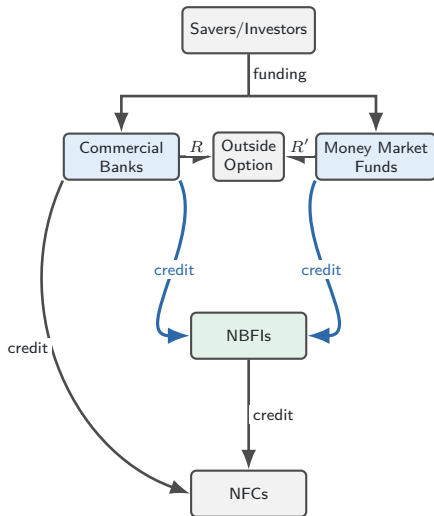
First-order Question. How does monetary policy transmit through non-banks? What does the increasing presence of non-banks mean for credit supply to non-financial firms?

This paper:

- Non-bank lenders (NBLs) amplify monetary policy transmission
 - ▶ NBLs raise rates more, cut quantities, NBL-dependent firms most affected
- Liability Mechanism
 - ▶ Banks' deposit franchise (partially) insulates them from higher funding costs
 - ▶ NBLs more reliant on (rate-sensitive) short-term funding
- Great instance where we have nearly all the data we want to answer this question credibly
- A very good piece in the monetary-transmission puzzle

⇒ What does this mean for our understanding of monetary policy transmission through the financial system as a whole? How to understand these results relative to other studies?

The “Financial System”



What's key for these mechanisms?

1. Bank/retail funding sources

Drechsler et al. (2017), Xiao (2020), Cucic & Gorea (2026), [Goncharenko & Lukmanova \(2026\)](#)

2. Bank (and non-bank) regulation

Elliott et al. (2022), Bednarek et al. (2025), Irani et al. (2021), Chernenko et al. (2022), Chernenko et al. (2026), Albuquerque et al. (2026b), Albuquerque et al. (2026a), Krainer et al. (2025)

3. Bank-NBFI lending (+relationships)

Xu (2026), Li et al. (2026), Anyfantaki et al. (2026), Bandera et al. (2025), Fleckenstein et al. (2026), Acharya et al. (2026), Jang et al. (2026), Lyonnet & Chrétien (2026), Krainer et al. (2025)

4. NBFI market segmentation

Li et al. (2026), Agarwal et al. (2026), Giuliana & Reddan (2025), Jang et al. (2026)

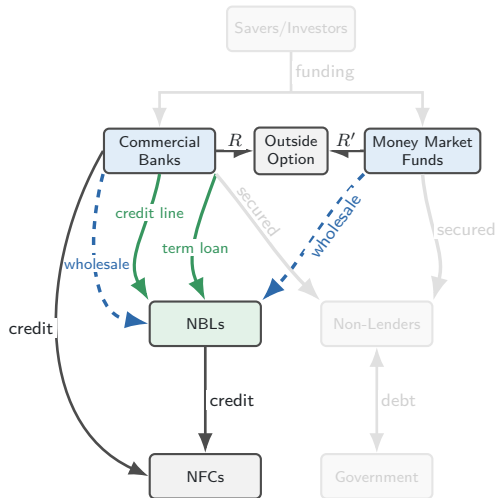
5. NBFI funding source heterogeneity

Cucic & Gorea (2026), Li et al. (2026), Haque et al. (2025), Banerjee & Serena (2026), Giuliana & Reddan (2025), [Goncharenko & Lukmanova \(2026\)](#)

6. Credit to NFCs (+relationships)

Chernenko et al. (2022), Aldasoro et al. (2025), Chernenko et al. (2026), Xu (2026), McCann et al. (2023), [Goncharenko & Lukmanova \(2026\)](#)

This Paper + Comments



- Helps make clear why and under what conditions NBFIs amplify vs attenuate MP
- General state-dependent transmission depends on (1) incidence of the shock and (2) which NBFIs have the most sensitive marginal funding constraint

Comment 1: Lean into (any available) data on liabilities

- Currently, an above-/below-mean split in the short-term funding share
- Type, term, origin, etc. are relevant

Comment 2: How to think about concurrent events over the tightening cycle

- Monetary policy rate increased alongside QT and broader normalizations
- Important if other contractionary measures differentially impact banks vs NBFIs

Conclusion

- A credible, well-executed paper
- Sharpens our understanding of monetary transmission through non-banks
- Shines a light on what affects transmission and where heterogeneity matters, and why/when non-banks amplify the effects of monetary policy

Thank you!

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