



International Centre for
Financial Regulation

Annual International Regulatory Summit

**Regulation Without Borders – G20 Ideals and National
Interests**

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Bank regulation

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Liquidity Issues

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What we found?

First of all.....

The liquidity control issue is not new!

Past
Financial
Crisis

Problems found thru this time's financial Crisis are:

1) Financial institutions need to grasp liquidity risk and the profiles which the characteristic of their business content.

Know your business !

2)Stress Tests are required.

3)The activity of International Financial Institutions



The List of Check Points for Liquidity Risk Control

- Putting the governance system for Liquidity Risk Control
- Understanding Liquidity Risk Profile and balance sheet management
- The securement of stability for daily funding for each FIs
- Building up the response reaction in the phase of stressing condition
- The reaction in the phase of emergency timing
- Putting the governance system global basis (if FIs are global ones)



Issues

- Hard to measure and control
⇒ Can Regulators create relevant regulations and rules?

Influence to investment activities

⇒ Influences to MSEs and Consumers for their fundings

