

TCH Recommends Liquidity Monitoring Report Proposals be Revised to be More Consistent with the Liquidity Coverage Ratio

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New York, NY – February 3, 2015 – Late yesterday, The Clearing House (TCH) along with the Institute of International Bankers (IIB), American Bankers Association (ABA) and the Financial Services Roundtable (FSR) filed a comment letter with the Federal Reserve on its proposed revisions to two important supervisory liquidity reports, the Complex Institution Liquidity Monitoring Report (FR 2052a) and the Liquidity Monitoring Report (FR 2052b). In the letter, the associations suggest a number of recommendations that would more closely conform these liquidity reports with the requirements of the Liquidity Coverage Ratio (LCR) and international standards.

“The financial crisis highlighted the importance of monitoring liquidity, and The Clearing House supports efforts by the Federal Reserve and other U.S. and international banking regulators to improve regulatory standards and industry practices with respect to liquidity,” said David Wagner, Executive Managing Director and Head of Finance, Risk and Audit Affairs at The Clearing House Association. “We believe that better aligning these liquidity reporting requirements with the LCR and international standards, as well as the publication of additional guidance regarding how these reports will be used for LCR compliance monitoring purposes, will solidify and strengthen the effectiveness of the liquidity framework.”

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