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

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.”

About The Clearing House Established in 1853, The Clearing House is the oldest banking association and payments company in the United States. It is owned by the world’s largest commercial banks, which collectively hold more than half of all U.S. deposits and which employ over one million people in the United States, and more than two million people worldwide. The Clearing House Association L.L.C. is a nonpartisan advocacy organization that represents the interests of its owner banks by promoting and developing policies to support a safe, sound and competitive banking system that serves customers and communities. Its affiliate, The Clearing House Payments Company L.L.C., which is regulated as a systemically important financial market utility, owns and operates payments technology infrastructure that provides safe and efficient payment, clearing and settlement services to financial institutions, and leads innovation and thought leadership activities for the next generation of payments. It clears almost $2 trillion each day, representing nearly half of all automated clearing-house, funds...