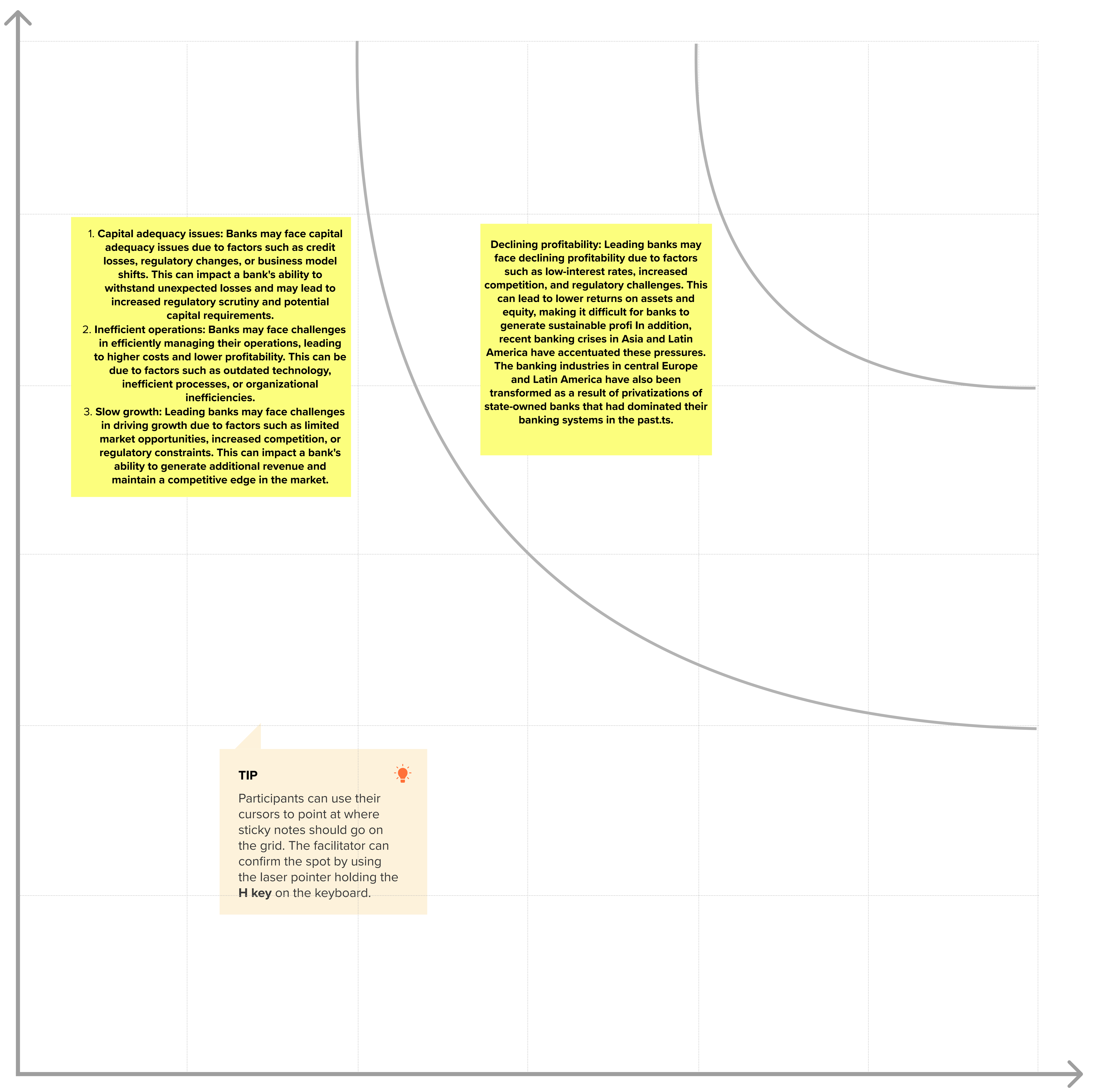


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- The image features a large grid with a curved line that starts at the top left and curves towards the bottom right. There are three text boxes: one on the left, one in the center, and one at the bottom left. The left and center boxes are yellow, and the bottom left box is orange. The grid has a light gray background with a darker gray border and a curved line.
- 1. Capital adequacy issues:** Banks may face capital adequacy issues due to factors such as credit losses, regulatory changes, or business model shifts. This can impact a bank's ability to withstand unexpected losses and may lead to increased regulatory scrutiny and potential capital requirements.
 - 2. Inefficient operations:** Banks may face challenges in efficiently managing their operations, leading to higher costs and lower profitability. This can be due to factors such as outdated technology, inefficient processes, or organizational inefficiencies.
 - 3. Slow growth:** Leading banks may face challenges in driving growth due to factors such as limited market opportunities, increased competition, or regulatory constraints. This can impact a bank's ability to generate additional revenue and maintain a competitive edge in the market.

Declining profitability: Leading banks may face declining profitability due to factors such as low-interest rates, increased competition, and regulatory challenges. This can lead to lower returns on assets and equity, making it difficult for banks to generate sustainable profits. In addition, recent banking crises in Asia and Latin America have accentuated these pressures. The banking industries in central Europe and Latin America have also been transformed as a result of privatizations of state-owned banks that had dominated their banking systems in the past.

TIP



Participants can use their cursors to point at where sticky notes should go on the grid. The facilitator can confirm the spot by using the laser pointer holding the **H key** on the keyboard.