Assisting in liquidity risk oversight

Review and challenge front business units’ liquidity risk assessment and liquidity risk management practice

Enhance and improve liquidity risk management process and procedures, asset liability and funding management

Implement and enhancing regulatory required reports and existing framework

Identify, measure, monitor and track liquidity risk exposure and analyzing future trends

Building capabilities in liquidity risk data and analysis including exposure, key risk indicator and other risk metrics

Review and Challenge:

FR2052a Report Review

* Data Integrity
* Operation Deposit and Non-Operation Funding
* Asset Haircuts
* FR2052a and LCR Calculation
* LCR trends and variance analysis

Liquidity Stress Testing Model Review

* Operational Deposit Methodology
* Daily Cashflow
* CPDP
* Security Haircuts
* Term Deposit early remediation and rollover behavior
* Credit and Liquidity Facility (Loan Commitment and Standby LC)

Cash Flow Projection Review

* Accuracy of the cash flow projection results
* Enhance the current approach and/or process
* Kick-Off Memo and Policy 4.4

RAS & KRI

Policy 4.2

CFP & EWI

Policy 4.5.2 & 4.6.4

Monitoring

Liquidity Profile, Position and Exposure Monitoring

Liquidity Profile: breakdown by inflow and outflow, maturity, product, internal/external and counterparty type.

Liquidity Position: LCR / Buffer Cushion Ratio trends monitor and variance analysis (major driver).

Liquidity Exposure: Deposit Composition and Runoff Structure. Funding Concertation (Top 5 Depositors). Credit and Liquidity Facility Collateral Ratio (Off-Balance Exposure)

Liquidity Model Performance: LCR Benchmark and LST Production Validation

Investment Collateral Management Securities available to be pledged as collateral (Unencumbered and Liquidity Buffer)

Intraday Funding Activity – Fedwire Security

Pro-activity analyzes the potential impact of regulatory or market change that may alter the Bank’s liquidity risk profile

Securities Profile and Position

Price Risk Policy

Data Analysis:

Fed Net Debt Cap

Liquidity Position (Fed Cash) Volatility Major Driver and Seasonality Factor

Large Clients Behavior

Model:

Benchmark Validation Model

Fed Cash Segmentation Model