

Keith Noreika Quoted in *Global Banking Regulation Review* on Potential Modification of SLR by U.S. Treasury

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Partner Keith Noreika was quoted in a *Global Banking Regulation Review* article titled, “US Treasury hints at SLR loosening.” The article explored a recent progress report from the U.S. Treasury which noted that they may consider modifying the supplementary leverage ratio (SLR) to allow large banks to increase their intermediation. Keith explained how the liquidity programs implemented during COVID-19 affected the banks, noting that, “as customers hold more cash on deposit that they’ve received from government programs, banks have more cash on their balance sheet—an asset that would otherwise be risk-weighted at zero—and are penalized for acting as the intermediary of liquidity in the system to keep the economy going through uncertain times. “He further said, “it seems like a reasonable approach for regulators to look at the SLR to see if its negative effects on banks deters market liquidity and economic growth during times of stress or response to stress.”

To read the full article, please [click here](#) (subscription required).

