

## MEMORANDUM

To: Our Valued Customers  
From: Sheshunoff Information Services  
Subject: *Liquidity Risk Management*

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Thank you for ordering *Liquidity Risk Management*.

Bank failures have taught us a lot about what does and doesn't work in a crisis. Regardless of how clean you think your loan portfolios are, now is the time to ensure that you are well prepared with strong liquidity risk measurement. Even if you only sell loans or debt on occasion, new funds available from those sources will be more expensive and harder to get. This also applies to FHLB borrowings since, in some districts, the banks have raised requirements for collateral margins.

Now that the regulators are playing much closer attention to liquidity risk in the wake of crisis in the capital markets, some banks have been told to expect closer scrutiny in advance of their exams and large national banks have been given a monthly report form for stock and flow measures of liquidity. It is in times like that *Liquidity Risk Management* is a must-have for your office bookshelf.

*Liquidity Risk Management* has two objectives. One of the major themes is that we cannot understand anything useful about liquidity risk unless we consider the applicable environment. This book defines and discusses very distinct liquidity needs. We examine how various liquidity sources are available to differing degrees — or not at all — in different need environments. Then, we focus on how that understanding can be applied to measuring and managing liquidity.

*Liquidity Risk Management* comes with an easy-to-use companion CD. Furthermore, new material and refreshed data will be added in October and all subscribers will receive it automatically.

Our goal at Sheshunoff is to give you the most complete information in an easy-to-understand format. If you have questions or suggestions, please contact a Sheshunoff Customer Service Representative at 1-800-456-2340. We value your feedback.