

From: [Eken, Ziya](#)
To: [Basel Committee, Service](#)
Subject: Comment on Strengthening the resilience of the banking sector - consultative document
Date: Wednesday 23, December, 2009 16:54:29

Hi Sir/Madam,

I m working in Amsterdam Trade Bank and I tried to raise my concern on a point which I think The Basel Committee should stress more on. On page 10, article e is addressing the systemic risk and interconnectedness.

However, there has been no definition or necessity of definition of interconnectedness of the market. For me we have seen that ratings coming from the recognized rating agencies (for sovereigns especially) do not have power to foresee the upcoming turbulence in advance. When the markets are tied in a complex network then it is always hard to define all negative symptoms in the ratings solely. So there should be a complexity rating or measure in the overall market which can be defined someway in order to see the stress level in the market at anytime. This will help lenders to come up with a decision in combination of both ratings + complexity measure which will improve the capital allocation process as well.

This measure should be measuring interconnectedness of the ties between the countries + sectors involving necessary factors and overall cyclical adjustment should be made accordingly.

As it can be defined on country level it may also be defined on the world economies connectedness (regional and whole) as well. I think it is worth thinking on this deeply.

I would like to see such requirement statement in your well defined and structured document as well.

Kind regards/Met vriendelijke groeten

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