

KNF – Polish Financial Supervision Authority

Comments on the BCBS consultative document "*Monitoring indicators for intraday liquidity management*"

1. With reference to a subsidiary's liquidity monitoring, in paragraph 57, the host supervisor should maintain the role in monitoring and supervising the liquidity, including intraday. Therefore instead of "The host supervisor should have primary responsible for receiving the relevant set of intraday indicators for that subsidiary" there should be stated:
"The host supervisor should have the responsibility for ensuring that its banks can meet their payment and settlement responsibilities in all countries and all currencies in which they operate. The host supervisor should therefore receive a full set of intraday liquidity indicators for its banks covering both local payment and settlement obligations and obligations in other payment and settlement systems."
2. Instead of the notion "*liquidity risk appetite*" which is used in the footnote to paragraph 32, there should be used the phrase "*liquidity risk tolerance*" – in accordance with the guidelines "*Principles for Sound Liquidity Risk Management and Supervision*". These guidelines devote a separate Principle to the issue of liquidity risk tolerance and do not mention appetite in the context of liquidity.