From:	BCBScommentupload
To:	"baselcommittee@bis.org"@web-prod-fe1.bis.000.ch
Subject:	Comments submitted for "Revisions to the Basel III leverage ratio framework - consultative document"
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Consultative document:	Revisions to the Basel III leverage ratio framework - consultative document(/bcbs/publ/d365.pdf)
Classification:	Public

Comments:

Sir

When you add the leverage ratio, elevating the floor of equity, while conserving the risk weighted capital requirements, the roof of equity, the risk it that the increased pressure on equity will increase the distortions in the allocation of bank credit to the real economy.

I know you do not care one iota about that… but you should, since in the long run the stability of the banking system is a direct function of the health of the real economy.

For an image of what I refer, to you could look at “The drowning pool” http://subprimeregulations.blogspot.se/2014/03/basel-iii-risk-based-capital.html

Let me take this opportunity to link to a post that explains most of what I find very wrong with the risk weighted capital requirements. http://perkurowski.blogspot.com/2016/04/here-are-17-reasons-for-why-i-believe.html