
Joint Release

Federal Deposit Insurance Corporation
Board of Governors Federal Reserve System
Office of the Comptroller of the Currency

For immediate release

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Agencies Seek Comment on Market Risk and Basel II Advanced Approaches

Three federal bank regulatory agencies today announced they are seeking comment on a notice of proposed rulemaking that would revise the market risk capital rules for banking organizations with significant trading activity.

The proposed rule would implement changes approved by the Basel Committee on Banking Supervision to its market risk framework. The Federal Reserve, the Office of the Comptroller of the Currency (OCC), and the Federal Deposit Insurance Corporation (FDIC) believe the proposed revisions would better capture positions for which the market risk capital rules are appropriate, reduce procyclicality in market risk capital requirements, enhance the rules' sensitivity to risks that are not adequately captured by the current regulatory measurement methodologies, and increase market discipline through enhanced disclosures.

The Federal Reserve, OCC, and FDIC request comments on the notice within 90 days of its publication in the Federal Register, which is expected soon.

Separately, the Federal Reserve, the OCC, and the FDIC are seeking comment on a notice of proposed rulemaking that would amend the advanced approaches capital adequacy framework known as Basel II to be consistent with certain provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act. More specifically, a banking organization operating under the advanced approaches standards would be required to meet, on an on-going basis, the higher of the generally applicable and the advanced approaches minimum risk-based capital standards.

The Federal Reserve, OCC, and FDIC request comments on this notice within 60 days of its publication in the Federal Register, which is expected soon.

(FDIC: PR-270-2010)

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Attachment:

[Market Risk Proposed Rule - PDF \(PDF Help\)](#)
[Basel II Advanced Approach - PDF \(PDF Help\)](#)

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