



# UNITED STATES

## FINANCIAL SECTOR ASSESSMENT PROGRAM

August 2020

### TECHNICAL NOTE—SYSTEMIC RISK OVERSIGHT AND SYSTEMIC LIQUIDITY

This Technical Note on Systemic Risk Oversight and Systemic Liquidity for the United States FSAP was prepared by a staff team of the International Monetary Fund as background documentation for the periodic consultation with the member country. It is based on the information available at the time it was completed in July 17, 2020.

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July 17, 2020

## TECHNICAL NOTE

SYSTEMIC RISK OVERSIGHT AND SYSTEMIC LIQUIDITY

Prepared By  
**Monetary and Capital  
Markets Department**

This Technical Note was prepared in the context of an IMF Financial Sector Assessment Program (FSAP) mission in the United States held during February–March 2020 led by Ms. Michaela Erbenová. It has been factually updated to incorporate COVID-19-related events in March and April 2020. It contains technical analysis and detailed information underpinning the FSAP’s findings and recommendations. Further information on the FSAP program can be found at <http://www.imf.org/external/np/fsap/fssa.aspx>

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## Glossary

ANC	Alternative Net Capital rule for broker dealers
ARRC	Alternative Reference Rates Committee
BD	Broker Dealer
BNYM	Bank of New York Mellon
CCP	Central Counterparty
CCyB	Countercyclical Capital Buffer
CFPB	Consumer Financial Protection Bureau
CFTC	Commodity Futures Trading Commission
CLO	Collateralized Loan Obligation
DERA	SEC Department of Economic Research and Analysis
DFA	Dodd-Frank Wall Street Reform and Consumer Protection Act
DVP	Delivery-versus-Payment
Fed	The Federal Reserve System
FHFA	Federal Housing Finance Agency
FHLB	Federal Home Loan Bank
FICC	Fixed Income Clearing Corporation
FINRA	Financial Industry Regulatory Authority
FMI	Financial Market Infrastructure (referred to as an FMU in the United States)
FMU	Financial Market Utility
FOMC	Federal Open Market Committee
FRA	Federal Reserve Act
FRB	Board of Governors of the Federal Reserve System
FRBNY	Federal Reserve Bank of New York
FRP	FRBNY Foreign Repo Pool
FSAP	Financial Sector Assessment Program
FSOC	Financial Stability Oversight Council
FX	Foreign Exchange
GCF	FICC General Collateral Finance repo
GFC	Global Financial Crisis
GSE	Government Sponsored Enterprise
GSIB	Globally Systemically Important Bank
HQLA	High Quality Liquid Asset
IDTA	Independent Dealer and Trader Association
IMF	International Monetary Fund
IOER	Interest on Excess Reserves
JPMC	JP Morgan
LCR	Liquidity Coverage Ratio
LIBOR	London Interbank Offered Rate
MMF	Money Market Fund
MoU	Memorandum of Understanding

## UNITED STATES

OFR	FSOC Office of Financial Research
OMO	Open Market Operations
ONRRP	Overnight Reverse Repo facility
REPO	Repurchase Transaction
SBSD	Security Based Swaps Dealer
SCB	Financial Stress Capital Buffer
SEC	Securities and Exchange Commission
SLR	Supplementary Leverage Ratio
SOFR	Secured Overnight Financing Rate
SOMA	Federal Reserve System Open Market Account
SRC	FSOC Systemic Risk Committee
TGA	Treasury General Account
TT&L	Treasury Tax and Loan account program
U.S.	United States