

22 July 2012

IBCSI ٢٣٢٩٤

From : Saudi Arabian Monetary Agency

To : All Banks

Attention : Managing Directors, Chief Executive Officers, General Managers

Subject : **BCBS Consultative Document Entitled "Monitoring Indicators for Intraday Liquidity Management"**

The BCBS has issued a consultative document entitled "Monitoring Indicators for Intraday Liquidity Management" for comments.

The management of intraday liquidity risk forms a key element of a bank's overall liquidity risk management framework and in this regard, the BCBS published its *Principles for Sound Liquidity Risk Management and Supervision* (Sound Principles) in 2008. This document sets guidelines for banks on their management of liquidity risk and collateral, where its Principle 8 of the Sound Principles focuses specifically on intraday liquidity risk and states that:

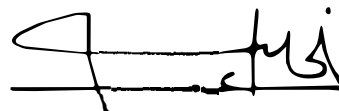
"A bank should actively manage its intraday liquidity positions and risks to meet payment and settlement obligations on a timely basis under both normal and stressed conditions and thus contribute to the smooth functioning of payment and settlement systems."

This consultative document can be obtained from BIS Website: www.bis.org where SAMA seeks comments on this document.

All banks are expected to review this document and provide comments by 30 August 2012.

كولبة

مؤسسة النقد العربي السعودي
الرقم ٤٦١٨٣ / أ / ٢٣٢٩٤
التاريخ ١٤٣٣/٠٩/٠٥
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