



Appendix to “The Liquidity Stress Ratio: Measuring Liquidity Mismatch on Banks’ Balance Sheets”

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Liquidity-adjusted assets are the summation of balance sheet assets weighted by respective liquidity adjustments. Liquidity-adjusted liabilities and off-balance-sheet exposures are calculated in a similar way.

Liquidity Adjustments for Balance Sheet Items

Balance Sheet Items	Liquidity Adjustment
Assets	
Cash and balances due from depository institutions	1.00
Federal funds sold and securities purchased under agreements to resell	1.00
Treasury	1.00
Agency MBS	0.85
Nonagency MBS	0.75
Agency securities	0.85
Municipal securities	0.85
Other securities	0.50
Loans	0.30
Liabilities	
Federal funds purchased and securities sold under agreements to resell	1.00
Trading liabilities	0.50
Commercial paper	0.50
Other borrowed money, maturity less than one year	0.40
Subordinated debt	0.10
Deposit, not stable	0.15
Deposit, stable	0.10
Off-balance-sheet items	
Unused commitments	0.10
Standby letters of credit	0.10
Securities underwriting	0.30
Security lent	0.10