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**Financial Institution Letter**  
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## ***SUPERVISORY INSIGHTS* JOURNAL**

### **Winter 2009 Issue Now Available**

**Summary:** The Winter 2009 issue of *Supervisory Insights* features articles of interest to examiners, bankers and supervisors, including: a discussion of the need, particularly in a low interest-rate environment, for a strong, effective interest-rate risk management program; an overview of how, during the current economic downturn, Community Reinvestment Act (CRA) examiners should balance concerns about a low volume of loans with a strategic focus on qualitative factors; and a description of three approaches to conducting financial institution customer information risk assessments. The publication is available at <http://www.fdic.gov/regulations/examinations/supervisory/insights/index.html>.

**Distribution:**

FDIC-Supervised Institutions

**Suggested Routing:**

Chief Executive Officer  
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**Related Topics:**

Interest-Rate Risk  
Community Reinvestment Act  
Information Technology Customer Information  
Risk Assessments

**Attachment:**

None

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**Note:**

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**Highlights:**

- "Nowhere to Go but Up: Managing Interest-Rate Risk in a Low-Rate Environment" emphasizes that during the current environment, with interest rates at or near historic lows, it is critical that financial institutions maintain a strong, effective interest-rate risk (IRR) management program that helps mitigate excessive exposure. This article reviews IRR measurement systems and offers observations about best practices for measuring, monitoring and controlling IRR.
- "Not Just Adding Up the Numbers: Achieving CRA Objectives in Challenging Times" emphasizes that Community Reinvestment Act (CRA) examination procedures call for examiners to consider the challenging economic circumstances and other constraints faced by an institution, and encourage management to adopt innovative responses to community needs.
- "From the Examiner's Desk – Customer Information Risk Assessments: Moving Toward Enterprise-wide Assessments of Business Risk" states that results of information technology examinations often suggest banks struggle with conducting effective customer information risk assessments. Recent phishing attacks are one example of the critical need to safeguard information assets. This article describes three types of risk assessments, identifies areas for improvement often observed by examiners, and discusses the supervisory response to deficiencies.
- Suggestions for future topics and requests for permission to reprint articles should be e-mailed to [supervisoryjournal@fdic.gov](mailto:supervisoryjournal@fdic.gov). Requests for print copies should be e-mailed to [publicinfo@fdic.gov](mailto:publicinfo@fdic.gov).