Letter from the Director

The articles in this issue of *Supervisory Insights* address topics of importance to bankers and bank examiners. Featured articles in this issue discuss the importance of strategic planning for banks in the current challenging operating environment, and provide an overview of new regulations pertaining to securitization investments. As always, the articles in *Supervisory Insights* should not be viewed as supervisory or regulatory guidance, but are intended as a resource that some bankers and examiners may find useful.

Even though the financial performance and condition of banks have improved during recent years, the operating environment remains challenging. "Strategic Planning in an Evolving Earnings Environment" highlights the critical role bank corporate governance and strategic planning play in navigating a challenging operating environment. The article provides an informal perspective on the strategic planning process, and concludes with a discussion of strategic planning as it relates to important issues that bank boards and managements are dealing with today.

During the most recent financial crisis, many banks suffered significant losses on investment-grade securitizations thought to be low-risk investments. Following enactment of the Dodd-Frank Act, federal bank regulatory agencies issued regulations and guidance to reduce the likelihood of banks experiencing similar problems in the future. "Bank Investment in Securitizations: The New Regulatory Landscape in Brief" summarizes the most important new requirements related to investment in securitizations, including potential effects on capital, and discusses how an investment decision process can be structured to help a bank remain compliant with these new requirements.

This issue also includes our regular overview of recently released regulations and supervisory guidance.

We hope you find the articles in this issue to be informative and helpful. We encourage our readers to provide feedback and suggest topics for future issues. Please e-mail your comments and suggestions to SupervisoryJournal@fdic.gov.

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