Evaluation of Municipal Securities

V. Review & Additional Resources
Review of Presentations

Overview & Industry Trends
- Recent regulatory guidance
- Creditworthiness standards
- Large and diverse market

Investment Policies & Procedures
- Authorized investments and risk limits
- Pre-purchase analysis and ongoing monitoring procedures
- Independent review

Basic & Expanded Analysis
- Pre-purchase analysis
- Ongoing monitoring
- Credit, Interest Rate, and Liquidity Risk
Supervisory Expectations

Other Municipal Issuances
- Non-Essential Purpose Revenue Obligation Bonds
- Essential Purpose Revenue Obligation Bonds
- General Obligation Bonds

Higher Supervisory Expectations

Lower Supervisory Expectations

Risk Level

Exposure Level
Regulatory Guidance

- Supervisory Policy Statement on Investment Securities and End-User Derivatives Activities (FIL-45-98)
- Uniform Agreement on the Classification and Appraisal of Securities Held by Depository Institutions (FIL-51-2013)

FIL – Financial Institution Letter
Additional Resources

- Summer 2013 Supervisory Insights – “Credit Risk Assessment of Bank Investment Portfolios”

- www.fdic.gov

- Regional Senior Capital Markets and Securities Specialists

- Mailbox: supervision@fdic.gov