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**Joint Release**

**Board of Governors of the Federal Reserve System  
Federal Deposit Insurance Corporation  
Office of the Comptroller of the Currency**

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Statement on the Use of Capital and Liquidity Buffers

The Board, FDIC, and Office of the Comptroller of the Currency (agencies) are encouraging banking organizations to use their capital and liquidity buffers as they respond to the challenges presented by the effects of the coronavirus.

Since the global financial crisis of 2007-2008, U.S. banking organizations have built up substantial levels of capital and liquidity in excess of regulatory minimums and buffers. The largest banking organizations hold \$1.3 trillion in common equity and \$2.9 trillion in high quality liquid assets (HQLA). The agencies also significantly increased capital and liquidity requirements, including improving the quality of regulatory capital, raising minimum capital requirements and establishing capital and liquidity buffers, and implementing annual capital stress tests.

These capital and liquidity buffers were designed to provide banking organizations with the means to support the economy in adverse situations and allow banking organization to continue to serve households and businesses. The agencies support banking organizations that choose to use their capital and liquidity buffers to lend and undertake other supportive actions in a safe and sound manner. The agencies expect banking organizations to continue to manage their capital actions and liquidity risk prudently.