中信银行(国际)
CHINA CITIC BANK INTERNATIONAL

Key Take Away for Economic Insights (29th issue)

- An extended period of zero interest rate policy and quantitative easing created excessive liquidity, artificially suppressing cost of funds.
- The business model of commercial banks became overly reliant on low interest rates and was upended by monetary policy normalization.
- While the management of the failed banks are certainly to blame for poor operating performance, the Fed's role as regulator and policymaker should also be scrutinized.

Full version is only available in Chinese language.

Foreign currency investments are subject to exchange rate risk which may result in gain or loss. The fluctuation in the exchange rate of foreign currency may result in losses in the event that customer converts the foreign currency into HKD or other foreign currencies. Renminbi is not freely convertible at present. The actual conversion arrangement will depend on the restrictions prevailing at the relevant time.