

## **Key Take Away for Economic Insights (29<sup>th</sup> 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.

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