

READOUT: Financial Stability Oversight Council Meeting on November 3, 2023

November 3, 2023

WASHINGTON – Today, U.S. Secretary of the Treasury Janet L. Yellen convened a meeting of the Financial Stability Oversight Council (Council) in executive and public sessions at the U.S. Department of the Treasury (Treasury).

During the executive session, the Council heard an update from staff of Treasury, the Office of the Comptroller of the Currency, the Federal Deposit Insurance Corporation, and the Board of Governors of the Federal Reserve System on commercial real estate (CRE) market developments. Conditions in CRE markets remain challenging following declines in CRE prices and an increase in the cost of financing, though delinquencies vary by property type. The Council will continue to closely monitor developments in CRE markets and financial institutions with significant exposures to CRE and related risks.

The Council also received an update from Treasury staff on the progress of the Inter-Agency Working Group on Treasury Market Surveillance (IAWG) in its work to strengthen Treasury market resilience. Council members discussed steps agencies are taking to enhance the resilience of the U.S. Treasury market.

In addition, the Council received an update from Treasury staff on the continuing development of the Council's 2023 annual report.

The Council also discussed the Council's analytic framework for financial stability risk identification, assessment, and response, and the Council's interpretive guidance on nonbank financial company determinations under section 113 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

During the public session, the Council received a presentation from Treasury staff on the Council's analytic framework for financial stability risk identification, assessment, and response, and the Council's interpretive guidance on nonbank financial company determinations. The Council voted unanimously to approve both the analytic framework and the guidance on nonbank financial company determinations.

The Council also voted to approve the minutes of its previous meeting on September 22, 2023.

In attendance at the Council meeting at Treasury or virtually were the following members:

- Janet L. Yellen, Secretary of the Treasury (Chairperson of the Council)
- Jerome H. Powell, Chair, Board of Governors of the Federal Reserve System
- Michael J. Hsu, Acting Comptroller of the Currency
- Rohit Chopra, Director, Consumer Financial Protection Bureau
- Gary Gensler, Chair, Securities and Exchange Commission
- Martin Gruenberg, Chairman, Federal Deposit Insurance Corporation
- Rostin Behnam, Chairman, Commodity Futures Trading Commission
- Sandra L. Thompson, Director, Federal Housing Finance Agency
- Todd M. Harper, Chairman, National Credit Union Administration
- Thomas Workman, Independent Member with Insurance Expertise
- James Martin, Acting Director, Office of Financial Research (non-voting member)
- Steven Seitz, Director, Federal Insurance Office (non-voting member)
- Elizabeth K. Dwyer, Superintendent of Financial Services, Rhode Island Department of Business Regulation (non-voting member) (virtual)
- Adrienne A. Harris, Superintendent, New York State Department of Financial Services (non-voting member)
- Melanie Lubin, Securities Commissioner, Office of the Attorney General of Maryland, Securities Division (non-voting member)

Additional information regarding the Council, its work, and the recently approved analytic framework, final interpretive guidance, and meeting minutes is available at <http://www.fsoc.gov>.

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