

# QUESTIONS AND UNCERTAINTIES

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Reports commissioned by the Bank from Spain to two prestigious consulting companies (Roland Berger and Oliver Wyman) come to say that the Spanish situation is in line with the forecasts made by the IMF and is not as catastrophic as what could be expected based on the latest events. In the worst of the scenarios analysed, the 14 banks analysed, which account for 90% of the Spanish financial system, would require between 51,000 and 62,000 million euros.

Despite this apparent good news, some very basic questions arise that do not quite fit me. Why was a consulting job of this nature (top down) commissioned in a hurry in 2012, after almost 5 years of severe financial crisis? I simply cannot believe that there are no previous studies (internal or external) carried out in greater depth and detail on the state of Spanish banks. If there are, what are your conclusions? And why have they not been used to make decisions? Personally, I would have expected detailed results (for bottom-up studies we will have to wait until September) with a detailed analysis of solvency, determining to what extent the balance sheets and income statements presented by financial institutions reflect their real financial situation. How is it possible that the reports say that in the most favorable scenario, between 16,000 and 22,000 million will be required when the new Bankia administrators, who I hope know what they are talking about, claim for this entity alone an amount of around 20,000 million Euros and Moodys lowers the note of Spanish banks from one to four notches, leaving only seven above the "junk bond" rating? These questions give me notable doubts. I imagine the markets and our European partners as well.

**There are no comments yet.**