

Case Study:

SCBS Community Bank
123 Somewhere Drive
Anytown, SC

RE: Balance Sheet Management Discussion

Scenario:

The Economic Recovery Package to help businesses due to the Pandemic has created explosive balance sheet growth for Banks across the USA. Using the attached Balance Sheet, please develop answers to the following questions.

There are no wrong answers to the questions. This is an exercise to help develop your balance sheet management understanding.

Question 1: Highlight at least 3 balance sheet items and discuss a strategy to improve earnings based on what we have learned in class to improve the bank's performance.

Question 2: Identify 3 ideas for excess deposits and why.

Question 3: Excess Cash: Discuss 3 ideas on handling the bank's excess cash and why.

Question 4: Based on your understanding of the current economic conditions, what do you think is a longer-term strategy to deal with bank's current balance sheet?