

Scientific phenomenon of systemically important bank

Bura V.I.

Postgraduate Student at Department of Banking
Kyiv National University of Trade and Economics

In this article were reviewed and grouped views of domestic and foreign financial institutions and scientists about the nature of systemically important banks (SIB) in four directions. In the first approach emphasized the significant impact of SIB bankruptcy on the financial system and the real economy; in the second approach punctuated certain characteristics of SIB such as size, complexity etc.; the third approach combined the views of the previous two approaches; the fourth approach focalized not only at the effects of systemically important bank in the financial system and the real economy, but also its relationship with the generation and scale manifestation of systemic risk. Following the latter approach, SIB should be understood as a bank that has a set of characteristics and a potential to raise systemic risk, thus causes a significant impact on the stability of the financial system and the real economy.

In the article the main causes of «too big to fail» banks and the consequences of their bad activities during the crisis. Author's understanding of systemically important banks in view of its impact on systemic risk is given. The essence of systemic risk in terms of macro-, micro- and combined approach is considered. It is determined that the original source of the emergence of systemic risk regarded as macroeconomic imbalances, in our view, are considered as appropriate vector in two terms: the first vector is the imbalance between the development of the financial sector and the real economy on a global level; the second vector is the imbalance in the development of material production and consumption in individual countries.

Analyzed the legislation of Ukraine regarding accuracy and essential definition of SIB, and recommendations to address the contradictions and repetitions at the legal level.