

## MEASURING EXPOSURE TO CURRENCY UNCERTAINTY IN BANKING ENTITIES

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### ABSTRACT

The research aims to approximate the effects of the exchange uncertainty within the balance sheet of a bank, under the premise that the bank will assume the effects of the uncertainty perceived by depositors according to the exposure generated by the currencies in administration. The exposure to the exchange uncertainty supposes intertemporal effects in the liquidity position of the bank; a dynamic relationship is approximated by impulse-response functions generated from the specification of vectors autoregressive and local projections models.

**Keywords:** Currency Risk, Balanced Sheet Risk, Uncertainty, Vector Autorregressive, Local Projections.

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