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*Soundness of American banks and regulatory exercises*

by F. Johnson

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## ***Soundness of American banks and regulatory exercises***

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**Abstract:** The present work deals with the impact of the American financial crisis on U.S. banks. The U.S. government authorized in 2008 expenditures of 700 billion dollars to purchase toxic assets and equity from financial institutions to strengthen its financial sector after the subprime mortgage crisis. Within this context, there are several fundamental conclusions that emerged from the crisis. The most important is that weak banks pose a challenge for all bank supervisors and regulatory authorities around the world. Also, the present work describes the assessment of the soundness of American banks in relation to regulatory exercises, and explains the innovation of this research.

**Key words:** financial crisis, American banking sector, stress test, uncertainty, American economy.