

What quantities? – Vulnerability indicator

- What captures better endogenous risk?
 - Response indicator \Rightarrow amplification

A

L

Technological liquidity

- Duration of project/reversibility

Market liquidity

- Specificity/redeployability
- Can only sell assets at

fire-sale prices

Funding liquidity

- Can't **roll over** short term debt
- **Margin**-funding is recalled

Ease with which one can raise money by **selling** the asset

Ease with which one can raise money by **borrowing** using the asset as collateral

Liquidity

Maturity mismatch