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Taking in account the profitability of last year, this year is also going to be gloomy, and so in turn common borrowers can be pressed hard for revenue generation. If Investment banking business was not so profitable last year then it is not going to be any better this year, so says the experts. Declining confidence in the market coupled with new regulations pressing the banks to go stringent certainly makes the conditions worse for the banks.

Most importantly, implementation of Basel 2.5 norms, which affected the European market, is going to impact the US banks as well. So, for investment bank model and for other similar business models the Basel 2.5 norms is certainly going to create havoc by reducing the profit margin, which is already dented by the last year slow business.

Banks are required to keep much more capital against counterparty risk and for market and trading, thereby under Basel 2.5 banks are forced to apply â€œstressed value at riskâ€• test to ascertain their risk putting aside the capital against securitized products. In practical sense, risk weighted assets that the banks hold are to increase in wake of Basel 2.5 norms. So, if the banks are going to witness a tough time then, similar will be the case for the common consumers and borrowers.

UK market which is reeling under the threat of losing its TRIPLE A rating is going to face more hiccups with implementation of this regulation. Need urgent cash for investments apply at doorstep loans @ http://www.doortodoorsteploan.co.uk/ and get funds quickly without any hassle and use them in your investments.

While FSA has came up with new regulations making it tough for the common borrowers to re mortgage, banks too are squeezing hard to extract maximum revenue from the common retail consumers, as their revenue from other sources have witnessed a substantial dip in wake of slowdown in world economy. The trying times for banks in wake of the slowdown in investment banking is going to do no good since UK banks are already going through tough times and the government is in fix to choose between bailout packages or controlling the debt of the country. To add to the woes the inflation is also pinching the finances of the common people and so another year in terms of slowdown for investment banking business is surely going to make banks further squeeze the interests of the common consumers.

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