

# Review of: "From Tech Hub to Banking Failure: Exploring the Implications of CBDCs on the Destiny of Silicon Valley Bank"

Oskar Kowalewski<sup>1</sup>

<sup>1</sup> IESEG School of Management

**Potential competing interests:** No potential competing interests to declare.

The paper is intriguing, but the authors need to be cautious in their analysis. Silicon Valley Bank altered their portfolio structure and suffered a book value loss, which caused panic. This could have been avoided if the bank had hedged against interest rate risk or if the FED had performed stress tests that accounted for changes in interest rates. Therefore, although CBDC is an interesting solution, it is still a distant possibility, and the authors should be careful in their assertions.