

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

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Potential competing interests: No potential competing interests to declare.

The paper analyzes the collapse of SVB and explores the potential benefits of CBDCs in enhancing financial stability. Here are some points for the authors' reference.

1. The paper currently relies on a case study approach and literature review. While this approach can be effective in analyzing a specific issue, the paper could benefit from providing more detailed and specific analysis to ensure a clear and well-defined mechanism.

2. The author emphasizes the importance of CBDCs in enhancing central bank oversight. However, it is important to note that the potential benefits of CBDCs may be limited in practice due to their current design of limited usage and scope, which mostly covers M0 instead of M1 or M2. As the majority of banking business is conducted through M2, it may be challenging for CBDCs to provide a comprehensive view of the banking system's activities and potential risks and vulnerabilities.

3. The paper could provide a more detailed mechanism of how CBDCs could be used to prevent bank runs and mitigate risks in the banking system, rather than just specific examples. Similarly, the paper could provide more specific analysis of how CBDCs could lead to more effective implementation of monetary policy in the context of the SVB collapse.

In conclusion, the paper provides a valuable analysis of the collapse of SVB and the potential benefits of CBDCs in enhancing financial stability. However, the paper could further strengthen its contribution by providing more specific and detailed analysis, such as through quantitative analysis or modeling, or by conducting a more detailed analysis of the banking system's asset and liability structure.