



Liquidity Coverage Ratio

The Liquidity Coverage Ratio (“LCR”) ensures that a Bank has sufficient unencumbered high quality liquid assets (“HQLA”) to survive a significant stress scenario for the next 30 days. The Group’s LCR disclosure is as per MAS Notice 651 “Liquidity Coverage Ratio Disclosure”.

Quarterly average all Currency LCR and Singapore Dollar LCR of 167% and 224% respectively were comfortably above the regulatory requirements of 70% and 100%. 91 calendar days’ data points were used in calculating the average figures. The main drivers of LCR are the net cumulative outflow driven mainly by deposit profile and the portfolio of high quality liquid asset which would cause some volatility on a day to day basis. The Group’s HQLA composition comprised 95% Level 1 HQLA and the remaining in Level 2A and 2B HQLA. Deposit strategies are regularly discussed in Group ALCO with monitoring on deposit tenure, concentration and currency mismatch etc. The Group’s exposures to derivatives and potential collateral calls were relatively insignificant.

Daily liquidity management is centrally managed under GMIM-PLM with regular discussion with Central Treasury and relevant Business Units. Liquidity limits and triggers were established to limit the Group’s liquidity exposure. Balance Sheet Risk Management oversees the liquidity risk management in the Group. Contingency funding plans are in place to identify potential liquidity crisis using a series of early warning indicators as well as crisis escalation process and related funding strategies.



GROUP ALL CURRENCY LCR for 2Q2016

	(In SGD'm)	Total Unweighted Value Average	Total Weighted Value Average
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		48,824
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	98,630	8,685
3	Stable deposits	19,887	994
4	Less stable deposits	78,743	7,692
5	Unsecured wholesale funding, of which:	91,857	48,206
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	14,496	3,425
7	Non-operational deposits (all counterparties)	74,937	42,385
8	Unsecured debt	2,381	2,381
9	Secured wholesale funding		0
10	Additional requirements, of which:	32,970	6,328
11	Outflows related to derivative exposures and other collateral requirements	3,887	2,955
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	29,085	3,379
14	Other contractual funding obligations	3,144	3,144
15	Other contingent funding obligations	10,703	479
16	TOTAL CASH OUTFLOWS		66,834
CASH INFLOWS			
17	Secured lending (eg reverse repos)	4,737	1,150
18	Inflows from fully performing exposures	42,312	33,128
19	Other cash inflows	3,961	3,175
20	TOTAL CASH INFLOWS	51,010	37,453
			Total Adjusted Value
21	TOTAL HQLA		48,824
22	TOTAL NET CASH OUTFLOWS		29,381
23	LIQUIDITY COVERAGE RATIO (%)		167



GROUP SGD CURRENCY LCR for 2Q2016

	(In SGD'm)	Total Unweighted Value Average	Total Weighted Value Average
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		19,679
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	69,159	6,033
3	Stable deposits	17,663	883
4	Less stable deposits	51,495	5,150
5	Unsecured wholesale funding, of which:	29,338	13,007
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	6,824	1,569
7	Non-operational deposits (all counterparties)	22,474	11,398
8	Unsecured debt	40	40
9	Secured wholesale funding		-
10	Additional requirements, of which:	17,586	5,620
11	Outflows related to derivative exposures and other collateral requirements	4,307	4,307
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	13,279	1,313
14	Other contractual funding obligations	704	704
15	Other contingent funding obligations	309	65
16	TOTAL CASH OUTFLOWS		25,430
CASH INFLOWS			
17	Secured lending (eg reverse repos)	1,171	4
18	Inflows from fully performing exposures	10,629	7,620
19	Other cash inflows	9,108	8,939
20	TOTAL CASH INFLOWS	20,908	16,563
			Total Adjusted Value
21	TOTAL HQLA		19,679
22	TOTAL NET CASH OUTFLOWS		8,866
23	LIQUIDITY COVERAGE RATIO (%)		224