

OCBC Group
Third Quarter of 2019

Liquidity Coverage Ratio

For 3Q19, the average Singapore dollar (“SGD”) and all-currency Liquidity Coverage Ratios (“LCR”) for the Group were 297% and 154% respectively. Compared to 2Q19, the average SGD LCR increased by 42 percentage points from an increase in High Quality Liquid Assets (‘HQLA’) and from lower cash outflows from unsecured wholesale funding. The average all-currency LCR was higher by 3 percentage points as a result of an increase in HQLA which more than offset the decrease in cash inflows from corporate loans.

The Group continued to focus on acquiring stable deposits and on maintaining a mix of HQLA comprising mainly of Level 1 central bank reserves and liquid sovereign bonds. The Asset & Liability Management Desk in Global Treasury manages the day-to-day liquidity needs of the Group, and is subject to liquidity limits and triggers that serve as risk control on the Group’s liquidity exposure.

Liquidity Coverage Ratio Quantitative Disclosure

The data presented in the quantitative disclosure are simple averages of daily observations over the quarter. For 3Q19, the number of data points in calculating the average figures is 92.

Average Group All-Currency LCR for 3Q19

Group - ALL Currency (\$m)		Total Unweighted Value (average)	Total Weighted Value (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		48,677
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	141,878	11,641
3	Stable deposits	50,941	2,547
4	Less stable deposits	90,938	9,094
5	Unsecured wholesale funding, of which:	99,941	48,955
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	24,680	5,932
7	Non-operational deposits (all counterparties)	67,682	35,444
8	Unsecured debt	7,579	7,579
9	Secured wholesale funding		626
10	Additional requirements, of which:	56,830	35,172
11	Outflows related to derivative exposures and other collateral requirements	32,500	32,399
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	24,329	2,773
14	Other contractual funding obligations	1,082	1,082
15	Other contingent funding obligations	12,525	376
16	TOTAL CASH OUTFLOWS		97,851
CASH INFLOWS			
17	Secured lending (eg reverse repos)	1,248	290
18	Inflows from fully performing exposures	53,420	32,698
19	Other cash inflows	32,896	32,856
20	TOTAL CASH INFLOWS	87,564	65,843
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		48,677
22	TOTAL NET CASH OUTFLOWS		32,008
23	LIQUIDITY COVERAGE RATIO (%)		154

Average Group SGD LCR for 3Q19

Group - SGD (S\$m)		Total Unweighted Value (average)	Total Weighted Value (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		20,561
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	72,121	5,413
3	Stable deposits	35,983	1,799
4	Less stable deposits	36,138	3,614
5	Unsecured wholesale funding, of which:	20,626	8,253
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	7,480	1,789
7	Non-operational deposits (all counterparties)	13,137	6,455
8	Unsecured debt	9	9
9	Secured wholesale funding		-
10	Additional requirements, of which:	20,099	13,357
11	Outflows related to derivative exposures and other collateral requirements	12,684	12,684
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	7,415	674
14	Other contractual funding obligations	632	632
15	Other contingent funding obligations	2,094	63
16	TOTAL CASH OUTFLOWS		27,718
CASH INFLOWS			
17	Secured lending (eg reverse repos)	684	-
18	Inflows from fully performing exposures	7,011	4,052
19	Other cash inflows	21,442	21,436
20	TOTAL CASH INFLOWS	29,137	25,488
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		20,561
22	TOTAL NET CASH OUTFLOWS		6,930
23	LIQUIDITY COVERAGE RATIO (%)		297