OCBC Group
Third Quarter of 2016

Liquidity Coverage Ratio

For 3Q16, the average Singapore dollar ("SGD") and all-currency liquidity coverage ratios ("LCR") for the Group (excluding OCBC Wing Hang which will be included in due course) were 271% and 133% respectively. Compared to 2Q16, the SGD LCR was lower by 2 percentage points from the marginal decrease in central bank reserves. The all-currency LCR increased by 3 percentage points with a more stable funding base, as the cash outflows from non-operational deposits fell. The Group's High Quality Liquid Assets ("HQLA") decreased marginally.

The Group continued to focus on acquiring stable deposits and to maintain a mix of HQLA comprising mainly 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 3Q16, the number of data points in calculating the average figures is 92.

Average Group All-Currency LCR for 3Q16

	Group - ALL Currency (S$'m)	TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		46,055
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	91,696	7,561
3	Stable deposits	32,180	1,609
4	Less stable deposits	59,516	5,952
5	Unsecured wholesale funding, of which:	92,375	47,505
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	23,122	5,625
7	Non-operational deposits (all counterparties)	59,824	32,451
8	Unsecured debt	9,429	9,429
9	Secured wholesale funding		370
10	Additional requirements, of which:	48,597	27,464
11	Outflows related to derivative exposures and other collateral requirements	24,772	24,772
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	23,825	2,693
14	Other contractual funding obligations	470	470
15	Other contingent funding obligations	9,913	297
16	**TOTAL CASH OUTFLOWS**		83,668
CASH INFLOWS			
17	Secured lending (eg reverse repos)	3,043	1,019
18	Inflows from fully performing exposures	36,895	21,663
19	Other cash inflows	26,300	26,262
20	**TOTAL CASH INFLOWS**	66,238	48,945
			TOTAL ADJUSTED VALUE
21	**TOTAL HQLA**		46,055
22	**TOTAL NET CASH OUTFLOWS**		34,723
23	**LIQUIDITY COVERAGE RATIO**		133%

Average Group SGD LCR for 3Q16

Group - SGD (S$'m)		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		14,490
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	59,040	4,567
3	Stable deposits	26,748	1,337
4	Less stable deposits	32,292	3,229
5	Unsecured wholesale funding, of which:	23,327	9,158
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	9,818	2,399
7	Non-operational deposits (all counterparties)	13,482	6,731
8	Unsecured debt	27	27
9	Secured wholesale funding		-
10	Additional requirements, of which:	15,083	7,549
11	Outflows related to derivative exposures and other collateral requirements	6,853	6,853
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	8,229	695
14	Other contractual funding obligations	155	155
15	Other contingent funding obligations	1,915	57
16	**TOTAL CASH OUTFLOWS**		21,485
CASH INFLOWS			
17	Secured lending (eg reverse repos)	607	14
18	Inflows from fully performing exposures	7,143	3,832
19	Other cash inflows	15,867	15,861
20	**TOTAL CASH INFLOWS**	23,617	19,706
			TOTAL ADJUSTED VALUE
21	**TOTAL HQLA**		14,490
22	**TOTAL NET CASH OUTFLOWS**		5,371
23	**LIQUIDITY COVERAGE RATIO**		271%