

OCBC Group
First Quarter of 2018

Liquidity Coverage Ratio

For 1Q18, the average Singapore dollar (“SGD”) and all-currency liquidity coverage ratios (“LCR”) for the Group (excluding OCBC Yangon which will be included in due course) were 230% and 149% respectively. Compared to 4Q17, the average all-currency LCR was lower by 10 percentage points driven by an increase in cash outflow from wholesale funding. The SGD LCR decreased by 24 percentage points due to lower net cash inflow from derivative transactions. High Quality Liquid Assets (“HQLA”) increased over the quarter.

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 1Q18, the number of data points in calculating the average figures is 90.

Average Group All-Currency LCR for 1Q18

Group - ALL Currency (\$m)		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		50,644
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	125,894	10,526
3	Stable deposits	41,274	2,064
4	Less stable deposits	84,621	8,462
5	Unsecured wholesale funding, of which:	108,366	55,341
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	24,800	6,025
7	Non-operational deposits (all counterparties)	72,621	38,371
8	Unsecured debt	10,945	10,945
9	Secured wholesale funding		954
10	Additional requirements, of which:	56,911	33,877
11	Outflows related to derivative exposures and other collateral requirements	31,026	31,026
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	25,885	2,851
14	Other contractual funding obligations	1,331	1,331
15	Other contingent funding obligations	11,061	332
16	TOTAL CASH OUTFLOWS		102,361
CASH INFLOWS			
17	Secured lending (eg reverse repos)	2,850	1,362
18	Inflows from fully performing exposures	54,054	31,858
19	Other cash inflows	34,851	34,773
20	TOTAL CASH INFLOWS	91,754	67,993
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		50,644
22	TOTAL NET CASH OUTFLOWS		34,368
23	LIQUIDITY COVERAGE RATIO		149%

Average Group SGD LCR for 1Q18

Group - SGD (\$m)		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		18,440
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	63,013	4,892
3	Stable deposits	28,192	1,410
4	Less stable deposits	34,821	3,482
5	Unsecured wholesale funding, of which:	26,071	10,326
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	9,284	2,262
7	Non-operational deposits (all counterparties)	16,586	7,862
8	Unsecured debt	201	201
9	Secured wholesale funding		-
10	Additional requirements, of which:	20,510	12,964
11	Outflows related to derivative exposures and other collateral requirements	12,241	12,241
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	8,268	723
14	Other contractual funding obligations	755	755
15	Other contingent funding obligations	1,787	54
16	TOTAL CASH OUTFLOWS		28,990
CASH INFLOWS			
17	Secured lending (eg reverse repos)	1,048	-
18	Inflows from fully performing exposures	7,567	4,052
19	Other cash inflows	16,978	16,971
20	TOTAL CASH INFLOWS	25,593	21,023
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		18,440
22	TOTAL NET CASH OUTFLOWS		8,237
23	LIQUIDITY COVERAGE RATIO		230%