

Key prudential metrics

Table: Disclosure of quantitative data for key risk indicators

Unit : Baht

	Item	30/06/2020	31/12/2019
Available capital (unit: ...)			
1	Common equity tier 1 (CET1)		
1A	Fully loaded ECL ^{1/} CET1		
2	Tier 1		
2A	Fully loaded ECL tier 1		
3	Total capital	9,350,128,844.45	9,202,828,844.45
3A	Fully loaded ECL total capital	9,350,128,844.45	N/A
Risk-weighted assets (unit: ...)			
4	Total risk-weighted assets (RWA)		
Risk-based capital ratios as a percentage of RWA (%)			
5	CET1 ratio	-	-
5A	Fully loaded ECL CET1 ratio	-	-
6	Tier 1 ratio	-	-
6A	Fully loaded ECL tier 1 ratio	-	-
7	Total capital ratio	36.13	38.28
7A	Fully loaded ECL total capital ratio	36.13	N/A
Capital buffer ratios a percentage of RWA (%)			
8	Conservation buffer ratio	2.5	2.5
9	Countercyclical buffer ratio	-	-
10	Higher loss absorbency ratio	-	-
11	Total capital buffer ratio (the sum of Item 8 to Item 10)	2.5	2.5
12	Ratio of CET1 available after meeting the commercial bank's minimum capital requirements ^{2/}	33.63	35.78
Liquidity coverage ratio (LCR) (%)		Q2' 2020	Q4' 2019
13	Total high-quality liquid assets (Total HQLA) (unit: ...)	19,378,965,707	20,972,747,650
14	Total net cash outflows (within a 30-day period) (unit: ...)	15,233,392,422	13,761,411,690
15	LCR ratio (%)	130	162

^{1/} Expected credit losses according to the Thai Financial Reporting Standard No.9 - Financial Instruments

^{2/} Ratio of CET1 available after meeting the commercial bank's minimum capital requirements is not necessarily equal to the difference between the CET1 ratio (Item 5) and the minimum CET1 ratio requirement of 4.5% since the CET1 ratio may be attributable to the minimum tier 1 ratio requirement of 6% and/or the minimum total capital ratio requirement of 8.5%. Example: If a bank has RWA = 100, CET1 = 10, AT1 = 1.5 and T2 = 0, the bank's CET1 is therefore used for maintaining the total capital ratio of 8.5%, then the remaining CET1 (after meeting the minimum capital requirements) = 10 - 4.5 - 2.5 = 3.

Accompanying narrative

Management has developed and tested a number of models to estimate the ECL allowance in accordance with TFRS 9 and Bank of Thailand notification. Economic scenarios play a great part in ECL calculation, the head office obtains economic forecasts from acceptable research centres, combining with management judgement to accommodate economic uncertainty, late breaking events and new laws and regulations.

According to Bank of Thailand notification number Sor Nor Sor 2/2561, dated 25 January 2018, the Bank is required to disclose Liquidity Coverage Ratio (LCR) in the Bank's website. The Bank will disclose the LCR of the Bank as at 30 June 2020 and 31 December 2019 in the Bank's website, "http://www.ocbc.com/business-banking/large-corporates/international-presence-thailand.html", under Financial Report section.

Capital Structure

Structure of capital fund of Oversea-Chinese Banking Corporation Limited-Bangkok Branch

Unit : Baht

Item	30/06/2020	31/12/2019
1. Assets required to be maintained under Section 32	10,467,535,010.64	10,353,407,802.86
2. Sum of net capital for maintenance of assets under Section 32 and net balance of inter-office accounts (2.1+2.2)	22,044,481,683.62	26,450,759,109.16
2.1 Capital for maintenance of assets under Section 32	9,350,128,844.45	9,202,828,844.45
2.2 Net balance of inter-office accounts which the branch is the debtor (the creditor) to the head office and other branches located in other countries, the parent company and subsidiaries of the head office.	12,694,352,839.17	17,247,930,264.71
3. Total regulatory capital (3.1-3.2)	9,350,128,844.45	9,202,828,844.45
3.1 Total regulatory capital before deductions (The lowest amount among item 1 item 2 and item 2.1)	9,350,128,844.45	9,202,828,844.45
3.2 Deductions	-	-

Capital adequacy

Table 3 Minimum capital requirement for credit risk classified by type of assets under the SA

Unit : Baht

Minimum capital requirement for credit risk classified by type of assets under the SA	30/06/2020	31/12/2019
Performing claims		
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs)	126,474,881.30	251,670,297.70
2. Claims on financial institutions , non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	409,094,277.86	547,921,547.19
3. Claims on corporates , non-central government public sector entities (PSEs) treated as claims on corporate	1,918,824,537.05	1,468,241,528.78
4. Claims on retail portfolios	61,263.89	29,333.33
5. Claims on housing loans	-	-
6. Other assets	2,280,167.07	1,068,892.36
Non-performing claims	32,091,175.84	28,842,224.87
First-to-default credit derivatives and Securitisation		
Total minimum capital requirement for credit risk under the SA	2,488,826,303.02	2,297,773,824.23

Market risk under the Standardised Approach

Table 30 Minimum capital requirements for each type of market risk under the Standardised Approach

Unit : Baht

Minimum capital requirements for market risk under the Standardized Approach	30/06/2020	31/12/2019
Interest rate risk	276,530,044.22	261,918,358.71
Equity position risk	-	-
Foreign exchange rate risk	3,485,918.23	11,180,477.04
Commodity risk	-	-
Total minimum capital requirement	280,015,962.45	273,098,835.75

Table 6 Minimum capital requirement for market risk for positions in the trading book (Standardized measurement approach)

		Unit : Baht	
Minimum capital requirement for market risk (positions in the trading book)		30/06/2020	31/12/2019
1. Standardised approach		280,015,962.45	273,098,835.75
2. Internal model approach		-	-
Total minimum capital requirement for market risk		280,015,962.45	273,098,835.75

Table 7 Minimum capital requirement for operational risk (BIA / SA / ASA)

		Unit : Baht	
Minimum capital requirement for operational risk		30/06/2020	31/12/2019
1. Calculate by Basic Indicator Approach		-	-
2. Calculate by Standardised Approach		78,097,570.57	73,380,128.91
3. Calculate by Alternative Standardised Approach		-	-
4. Calculate by Advance Measurement Approach		-	-
Total minimum capital requirement for operational risk		78,097,570.57	73,380,128.91

Table 8 Total risk-weighted capital ratio and Tier 1 risk-weighted capital ratio

Ratio	Curent period		Previous period	
	30/06/2020	Minimum requirement	31/12/2019	requirement
1. Total capital to risk-weighted assets	36.13	11	38.28	11
2. Tier 1 capital to risk-weighted assets *				
3. Tier 1 capital of equity part to risk-weighted assets *				

*Disclosed only in case of locally incorporated commercial banks

Item 2: Disclosure of capital information in transitional period under the Basel III

Value of capital, inclusions, adjustments and deductions for the period of 30 June 2020			Unit : Baht	
			Net amount of item to be included in or	
2. In case of foreign bank branch^{2/}				
2.1	Capital of foreign bank branch	9,350,128,844.45		
2.2	less deduction from capital of foreign bank branch	-		
Total capital of foreign bank branch		9,350,128,844.45		

^{2/}Refer to the Notification of the Bank of Thailand Re: Capital Components of Foreign Banks Branches