

OCBC Group
Fourth Quarter of 2017

Liquidity Coverage Ratio

For 4Q17, the average Singapore dollar (“SGD”) and all-currency liquidity coverage ratios (“LCR”) for the Group (excluding OCBC Wing Hang Hong Kong, OCBC Wing Hang Macau and OCBC Yangon which will be included in due course) were 253% and 159% respectively. Compared to 3Q17, the average all-currency LCR was higher by 12 percentage points with the increase in High Quality Liquid Assets (“HQLA”) and lower cash outflow from wholesale funding. The SGD LCR decreased by 16 percentage points with lower cash inflow from derivative transactions.

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 4Q17, the number of data points in calculating the average figures is 92.

Average Group All-Currency LCR for 4Q17

Group - ALL Currency (\$m)		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		46,668
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	106,877	8,867
3	Stable deposits	36,408	1,820
4	Less stable deposits	70,469	7,047
5	Unsecured wholesale funding, of which:	95,769	47,432
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	23,748	5,769
7	Non-operational deposits (all counterparties)	63,091	32,733
8	Unsecured debt	8,929	8,929
9	Secured wholesale funding		552
10	Additional requirements, of which:	51,210	30,398
11	Outflows related to derivative exposures and other collateral requirements	27,919	27,919
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	23,292	2,479
14	Other contractual funding obligations	1,013	1,013
15	Other contingent funding obligations	10,936	328
16	TOTAL CASH OUTFLOWS		88,591
CASH INFLOWS			
17	Secured lending (eg reverse repos)	2,666	1,266
18	Inflows from fully performing exposures	47,418	27,395
19	Other cash inflows	30,385	30,275
20	TOTAL CASH INFLOWS	80,469	58,935
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		46,668
22	TOTAL NET CASH OUTFLOWS		29,655
23	LIQUIDITY COVERAGE RATIO		159%

Average Group SGD LCR for 4Q17

Group - SGD (\$m)		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		17,724
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	61,917	4,799
3	Stable deposits	27,854	1,393
4	Less stable deposits	34,062	3,406
5	Unsecured wholesale funding, of which:	24,879	9,801
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	9,217	2,246
7	Non-operational deposits (all counterparties)	15,501	7,395
8	Unsecured debt	160	160
9	Secured wholesale funding		-
10	Additional requirements, of which:	17,243	9,905
11	Outflows related to derivative exposures and other collateral requirements	9,203	9,203
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	8,040	702
14	Other contractual funding obligations	610	610
15	Other contingent funding obligations	1,808	54
16	TOTAL CASH OUTFLOWS		25,169
CASH INFLOWS			
17	Secured lending (eg reverse repos)	968	-
18	Inflows from fully performing exposures	6,958	3,735
19	Other cash inflows	15,152	15,145
20	TOTAL CASH INFLOWS	23,079	18,880
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		17,724
22	TOTAL NET CASH OUTFLOWS		7,407
23	LIQUIDITY COVERAGE RATIO		253%