

OCBC Group
Fourth Quarter of 2018

Liquidity Coverage Ratio

For 4Q18, the average Singapore dollar (“SGD”) and all-currency Liquidity Coverage Ratios (“LCR”) for the Group were 265% and 156% respectively. Compared to 3Q18, the average all-currency LCR was higher by 26 percentage points mainly due to an increase in High Quality Liquid Assets (‘HQLA’) and a decrease in cash outflows from unsecured wholesale funding. The SGD LCR increased by 33 percentage points due mainly to an increase in HQLA.

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 4Q18, the number of data points in calculating the average figures is 92.

Average Group All-Currency LCR for 4Q18

Group - ALL Currency (\$m)		Total Unweighted Value (average)	Total Weighted Value (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		49,751
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	132,046	11,077
3	Stable deposits	42,559	2,128
4	Less stable deposits	89,487	8,949
5	Unsecured wholesale funding, of which:	102,639	50,557
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	25,167	6,087
7	Non-operational deposits (all counterparties)	69,816	36,813
8	Unsecured debt	7,656	7,656
9	Secured wholesale funding		574
10	Additional requirements, of which:	58,400	37,081
11	Outflows related to derivative exposures and other collateral requirements	34,331	34,331
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	24,069	2,751
14	Other contractual funding obligations	1,082	1,082
15	Other contingent funding obligations	13,099	393
16	TOTAL CASH OUTFLOWS		100,764
CASH INFLOWS			
17	Secured lending (eg reverse repos)	2,777	1,023
18	Inflows from fully performing exposures	53,561	32,850
19	Other cash inflows	34,791	34,767
20	TOTAL CASH INFLOWS	91,130	68,640
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		49,751
22	TOTAL NET CASH OUTFLOWS		32,124
23	LIQUIDITY COVERAGE RATIO (%)		156

Average Group SGD LCR for 4Q18

Group - SGD (\$m)		Total Unweighted Value (average)	Total Weighted Value (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		19,851
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	66,842	5,247
3	Stable deposits	28,743	1,437
4	Less stable deposits	38,100	3,810
5	Unsecured wholesale funding, of which:	23,518	9,197
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	8,777	2,136
7	Non-operational deposits (all counterparties)	14,736	7,057
8	Unsecured debt	5	5
9	Secured wholesale funding		-
10	Additional requirements, of which:	21,730	14,886
11	Outflows related to derivative exposures and other collateral requirements	14,235	14,235
12	Outflows related to loss of funding on debt products	-	-
13	Credit and liquidity facilities	7,495	651
14	Other contractual funding obligations	669	669
15	Other contingent funding obligations	1,740	52
16	TOTAL CASH OUTFLOWS		30,052
CASH INFLOWS			
17	Secured lending (eg reverse repos)	1,087	-
18	Inflows from fully performing exposures	6,819	3,852
19	Other cash inflows	22,056	22,050
20	TOTAL CASH INFLOWS	29,961	25,902
			TOTAL ADJUSTED VALUE
21	TOTAL HQLA		19,851
22	TOTAL NET CASH OUTFLOWS		7,513
23	LIQUIDITY COVERAGE RATIO (%)		265