



Liquidity Coverage Ratio (LCR) Disclosure
Quarter ended March 2020

Maybank Singapore Limited

Incorporated in Singapore

Company Registration Number: 201804195C

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1 LIQUIDITY COVERAGE RATIO (“LCR”) DISCLOSURE

The Monetary Authority of Singapore (“MAS”) has designated Maybank Singapore Limited (“MSL”) as a Domestic Systemically Important Bank (“D-SIB”) in Singapore since 2015. MSL is subject to the reporting of MAS Notice 649 Liquidity Coverage Ratio on a Country Group basis (consisting of Malayan Banking Berhad, Singapore Branch and Maybank Singapore Limited) and is required to maintain at all times a Singapore Dollar (“SGD” or “S\$”) LCR of 100% and an all-currency (“All-CCY”) LCR of 50%.

The purpose of this disclosure is to release relevant quantitative and qualitative information pursuant to MAS Notice 651 Liquidity Coverage Ratio Disclosure.

2 QUALITATIVE INFORMATION

2.1 Liquidity Risk Management

Daily liquidity is centrally managed by Global Markets in conjunction with relevant Business Units. Risk Management conducts daily liquidity stress tests and has established a set of internal triggers to monitor the liquidity position at Country Group level. This information, coupled with other market and balance sheet information, is submitted to the Asset and Liability Committee (“ALCO”) for deliberation and decision on funding and liquidity strategy. A Contingency Funding Plan has been developed to provide guidance on the type of management actions that can be taken in times of liquidity crisis.

2.2 Composition of High-Quality Liquid Assets (“HQLA”)

As of 31 March 2020, the Country Group’s average weighted All-CCY HQLA was approximately S\$16,611 million, of which approximately 80% (around S\$13,241 million) was denominated in SGD. HQLA consisted primarily of Level 1 assets such as central bank reserves and securities issued by central banks and governments. These assets can be easily liquidated through outright sales or Repurchase (“Repo”) arrangements to meet any unexpected liquidity requirements.

2.3 Sources of Funding

The primary sources of funding include customer deposits (current accounts and savings accounts as well as term deposits) and interbank deposits. Sources of liquidity are regularly reviewed to maintain diversification.

2.4 Derivative Exposures

The Country Group's derivative exposures arise mainly from foreign exchange swaps and interest rate swaps which are marked to market on a daily basis.

2.5 Currency Mismatch

The Country Group's operations are predominantly denominated in SGD. Assets and liabilities are match-funded with the same currency where possible. As part of the funding strategy, the Country Group may utilise the swap markets to support funding needs and loan demands across different currencies.

2.6 Main Drivers and Changes in LCR

Compared to the previous quarter, average All-CCY LCR has increased from 129% to 153% while SGD LCR has increased from 174% to 181%. The increases in All-CCY LCR and SGD LCR are largely due to a drop in total net cash outflows ("NCO"). Total NCO decreased from S\$12,527 million in 4Q FY2019 to S\$11,162 million in 1Q FY2020. Similarly, SGD NCO declined from \$8,299 million in 4Q FY2019 to S\$7,502 million in 1Q FY2020.

3 QUANTITATIVE INFORMATION

The data presented in the following table are simple averages of daily observations over the previous quarter ended March 2020.

3.1 Country Group Average All-Currency LCR for Quarter 1, 2020

(Number of data points used for the calculation: 91)

SGD Million		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		16,611
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	27,560	2,439
3	Stable deposits	6,349	317
4	Less stable deposits	21,211	2,121
5	Unsecured wholesale funding, of which:	14,543	10,164
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	0	0
7	Non-operational deposits (all counterparties)	14,543	10,164
8	Unsecured debt	0	0
9	Secured wholesale funding		4
10	Additional requirements, of which:	27,447	22,839
11	Outflows related to derivative exposures and other collateral requirements	22,886	22,116
12	Outflows related to loss of funding on debt products	0	0
13	Credit and liquidity facilities	4,561	723
14	Other contractual funding obligations	431	431
15	Other contingent funding obligations	1,382	40
16	TOTAL CASH OUTFLOWS		35,916
CASH INFLOWS			
17	Secured lending (e.g. reverse repos)	3,582	170
18	Inflows from fully performing exposures	3,120	2,690
19	Other cash inflows	22,566	22,212
20	TOTAL CASH INFLOWS	29,268	25,072
TOTAL ADJUSTED VALUE			
21	TOTAL HQLA		16,611
22	TOTAL NET CASH OUTFLOWS		11,162
23	LIQUIDITY COVERAGE RATIO (%)		153%

3.2 Country Group Average SGD LCR for Quarter 1, 2020

(Number of data points used for the calculation: 91)

SGD Million		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		13,241
CASH OUTFLOWS			
2	Retail deposits and deposits from small business customers, of which:	25,994	2,282
3	Stable deposits	6,349	317
4	Less stable deposits	19,645	1,965
5	Unsecured wholesale funding, of which:	8,017	4,800
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	0	0
7	Non-operational deposits (all counterparties)	8,017	4,800
8	Unsecured debt	0	0
9	Secured wholesale funding		0
10	Additional requirements, of which:	22,613	19,004
11	Outflows related to derivative exposures and other collateral requirements	19,274	18,504
12	Outflows related to loss of funding on debt products	0	0
13	Credit and liquidity facilities	3,339	500
14	Other contractual funding obligations	310	310
15	Other contingent funding obligations	576	16
16	TOTAL CASH OUTFLOWS		26,412
CASH INFLOWS			
17	Secured lending (e.g. reverse repos)	2,202	0
18	Inflows from fully performing exposures	687	457
19	Other cash inflows	18,766	18,711
20	TOTAL CASH INFLOWS	21,655	19,168
TOTAL ADJUSTED VALUE			
21	TOTAL HQLA		13,241
22	TOTAL NET CASH OUTFLOWS		7,502
23	LIQUIDITY COVERAGE RATIO (%)		181%