



Liquidity Coverage Ratio (LCR) Disclosure  
Quarter ended September 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 30 September 2020, the Country Group’s average weighted All-CCY HQLA were approximately S\$21,389 million, of which approximately 79% (around S\$16,940 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 137% to 188% while SGD LCR has increased from 147% to 199%. The increases in All-CCY LCR and SGD LCR are largely due to a rise in HQLA. Total HQLA rose from S\$16,883 million in 2Q FY2020 to S\$21,389 million in 3Q FY2020. Similarly, SGD HQLA rose from S\$13,039 million in 2Q FY2020 to S\$16,940 million in 3Q FY2020.

# **3 QUANTITATIVE INFORMATION**

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

### 3.1 Country Group Average All-Currency LCR for Quarter 3, 2020

(Number of data points used for the calculation: 92)

SGD Million		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total high-quality liquid assets (HQLA)		21,389
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:	27,340	2,427
3	Stable deposits	6,131	307
4	Less stable deposits	21,209	2,121
5	Unsecured wholesale funding, of which:	14,832	9,779
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	0	0
7	Non-operational deposits (all counterparties)	14,832	9,779
8	Unsecured debt	0	0
9	Secured wholesale funding		0
10	Additional requirements, of which:	23,634	19,080
11	Outflows related to derivative exposures and other collateral requirements	19,217	18,447
12	Outflows related to loss of funding on debt products	0	0
13	Credit and liquidity facilities	4,418	633
14	Other contractual funding obligations	317	317
15	Other contingent funding obligations	1,123	34
16	TOTAL CASH OUTFLOWS		31,637
<b>CASH INFLOWS</b>			
17	Secured lending (e.g. reverse repos)	3,305	171
18	Inflows from fully performing exposures	1,833	1,548
19	Other cash inflows	18,638	18,506
20	TOTAL CASH INFLOWS	23,777	20,225
<b>TOTAL ADJUSTED VALUE</b>			
21	TOTAL HQLA		21,389
22	TOTAL NET CASH OUTFLOWS		11,412
23	LIQUIDITY COVERAGE RATIO (%)		188%

### 3.2 Country Group Average SGD LCR for Quarter 3, 2020

(Number of data points used for the calculation: 92)

SGD Million		TOTAL UNWEIGHTED VALUE (average)	TOTAL WEIGHTED VALUE (average)
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total high-quality liquid assets (HQLA)		16,940
<b>CASH OUTFLOWS</b>			
2	Retail deposits and deposits from small business customers, of which:	25,867	2,280
3	Stable deposits	6,131	307
4	Less stable deposits	19,735	1,974
5	Unsecured wholesale funding, of which:	9,769	5,550
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	0	0
7	Non-operational deposits (all counterparties)	9,769	5,550
8	Unsecured debt	0	0
9	Secured wholesale funding		0
10	Additional requirements, of which:	21,415	17,641
11	Outflows related to derivative exposures and other collateral requirements	17,967	17,197
12	Outflows related to loss of funding on debt products	0	0
13	Credit and liquidity facilities	3,448	444
14	Other contractual funding obligations	275	275
15	Other contingent funding obligations	529	16
16	TOTAL CASH OUTFLOWS		25,762
<b>CASH INFLOWS</b>			
17	Secured lending (e.g. reverse repos)	1,652	0
18	Inflows from fully performing exposures	482	311
19	Other cash inflows	16,928	16,897
20	TOTAL CASH INFLOWS	19,063	17,208
<b>TOTAL ADJUSTED VALUE</b>			
21	TOTAL HQLA		16,940
22	TOTAL NET CASH OUTFLOWS		8,555
23	LIQUIDITY COVERAGE RATIO (%)		199%