

Ithmaar Bank B.S.C (c)
Liquidity Disclosures – Basel III
31 December 2020

Liquidity Coverage Ratio

One of the key requirements of the revised CBB guidelines includes the computation and disclosure of the Liquidity Coverage Ratio (LCR). LCR has been developed to promote short-term resilience of a bank's liquidity risk profile. The LCR requirements aim to ensure that a bank has an adequate stock of unencumbered high quality liquidity assets (HQLA) that consists of assets that can be converted into cash immediately to meet its liquidity needs for a 30-calendar day stressed liquidity period. The below table describes the average 90 day LCR of Ithmaar Bank on a consolidated basis as of 31 December 2020.

Pillar 3 LCR Common Disclosure Template		
For the Quarter ended 31/12/2020		
BD 000		
BD 000	Total Unweighted Value (average)	Total Weighted Value (average)
HIGH-QUALITY LIQUID ASSETS		
1	Total HQLA	472,930
CASH OUTFLOWS		
2	Retail deposits and deposits from small business customers, of which:	
3	Stable deposits	222,237
4	Less stable deposits	958,792
5	Unsecured wholesale funding, of which:	
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	91,788
7	Non-operational deposits (all counterparties)	490,714
8	Unsecured debt	-
9	Secured wholesale funding	-
10	Additional requirements, of which:	
11	Outflows related to derivative exposures and other collateral requirements	1,947
12	Outflows related to loss of funding on debt products	-
13	Credit and liquidity facilities	173,528
14	Other contractual funding obligations	58,995
15	Other contingent funding obligations	521,329
16	TOTAL CASH OUTFLOWS	462,707
CASH INFLOWS		
17	Secured lending (eg reverse repos)	10,267
18	Inflows from fully performing exposures	257,564
19	Other cash inflows	-
20	TOTAL CASH INFLOWS	267,831
		TOTAL ADJUSTED VALUE
21	TOTAL HQLA	472,930
22	TOTAL NET CASH OUTFLOWS	285,921
23	LIQUIDITY COVERAGE RATIO (%)	165%

Net Stable Funding Ratio (NSFR)

One of the key requirements of the revised CBB guidelines includes the computation and disclosure of the Net Stable Funding Ratio (NSFR). The NSFR requires banks to maintain a stable funding profile in relation to assets and off-balance sheet activities. The following table details the NSFR of Ithmaar Bank B.S.C (c) as of 31 December 2020 on a consolidated basis.

BD 000						
No.	Item	Unweighted Values (i.e. before applying relevant factors)				Total weighted value
		No specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	
Available Stable Funding (ASF):						
1	Capital:	109,946	0	0	22,473	132,419
2	Regulatory Capital	109,946				109,946
3	Other Capital Instruments				22,473	22,473
4	Retail deposits and deposits from small business customers:	0	1,290,180	252,994	136,143	1,539,199
5	Stable deposits	0	263,952	20,037	9,758	279,547
6	Less stable deposits	0	1,026,228	232,957	126,386	1,259,652
7	Wholesale funding:	0	426,272	314,705	379,194	655,427
8	Operational deposits			0		0
9	Other wholesale funding		426,272	314,705	379,194	655,427
10	Other liabilities:	0	254,162	0	7,293	7,293
11	NSFR Shari'a-compliant hedging contract liabilities		22,948			
12	All other liabilities not included in the above categories		231,214		7,293	7,293
13	Total ASF					2,334,338
Required Stable Funding (RSF):						
14	Total NSFR high-quality liquid assets (HQLA)					14,270
15	Deposits held at other financial institutions for operational purposes			0		0
16	Performing loans and securities:		441,284	89,939	1,403,025	1,472,963
17	Performing loans to financial institutions secured by Level 1 HQLA					
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions		94,184	13,422	586,190	607,028
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:		347,101	76,517	613,646	733,408
20	- With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines				184,993	120,245
21	Performing residential mortgages, of which:					
22	- With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio Guidelines				16,995	11,047
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities				1,201	1,235
24	Other assets:	0	432,782	0	1,201	432,782
25	Physical traded commodities, including gold					
26	Assets posted as initial margin for Shari'a-compliant hedging contracts and contributions to default funds of CCPs					
27	NSFR Shari'a-compliant hedging assets					
28	NSFR Shari'a-compliant hedging contract liabilities before deduction of variation margin posted		4,590			4,590
29	All other assets not included in the above categories		428,193		1,201	428,193
30	OBS items		684,017			34,201
31	Total RSF					1,954,216
32	NSFR (%)					119%