

Ithmaar Bank B.S.C (c)
Liquidity Disclosures – Basel III
30 June 2021

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 30 June 2021.

Pillar 3 LCR Common Disclosure Template		
For the Quarter ended 30/6/2021		
BD 000		
BD 000	Total Unweighted Value (average)	Total Weighted Value (average)
HIGH-QUALITY LIQUID ASSETS		
1	Total HQLA	516,060
CASH OUTFLOWS		
2	Retail deposits and deposits from small business customers, of which:	
3	Stable deposits	213,415
4	Less stable deposits	1,001,946
5	Unsecured wholesale funding, of which:	
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	100,790
7	Non-operational deposits (all counterparties)	522,111
8	Unsecured debt	-
9	Secured wholesale funding	-
10	Additional requirements, of which:	
11	Outflows related to derivative exposures and other collateral requirements	2,064
12	Outflows related to loss of funding on debt products	-
13	Credit and liquidity facilities	230,523
14	Other contractual funding obligations	62,334
15	Other contingent funding obligations	506,163
16	TOTAL CASH OUTFLOWS	-
CASH INFLOWS		
17	Secured lending (eg reverse repos)	7,599
18	Inflows from fully performing exposures	213,814
19	Other cash inflows	713
20	TOTAL CASH INFLOWS	222,126
		TOTAL ADJUSTED VALUE
21	TOTAL HQLA	516,060
22	TOTAL NET CASH OUTFLOWS	335,549
23	LIQUIDITY COVERAGE RATIO (%)	154%

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 30 June 2021 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:	131,876	0	0	11,042	142,918
2	Regulatory Capital	131,876				131,876
3	Other Capital Instruments				11,042	11,042
4	Retail deposits and deposits from small business customers:	0	1,345,853	280,390	136,443	1,614,818
5	Stable deposits	0	273,069	22,066	9,731	290,110
6	Less stable deposits	0	1,072,784	258,324	126,712	1,324,708
7	Wholesale funding:	0	488,490	357,658	383,677	699,937
8	Operational deposits			0		0
9	Other wholesale funding		488,490	357,658	383,677	699,937
10	Other liabilities:	0	285,769	0	6,872	6,872
11	NSFR Shari'a-compliant hedging contract liabilities		19,239			
12	All other liabilities not included in the above categories		266,530		6,872	6,872
13	Total ASF					2,464,545
Required Stable Funding (RSF):						
14	Total NSFR high-quality liquid assets (HQLA)					14,741
15	Deposits held at other financial institutions for operational purposes			0		0
16	Performing loans and securities:		483,857	100,124	1,439,954	1,527,817
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		102,807	16,232	582,734	606,271
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:		381,050	83,892	657,170	791,065
20	- With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines				178,695	116,152
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				20,123	13,080
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities				1,233	1,250
24	Other assets:	0	417,003	0	1,233	417,003
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		405			405
28	NSFR Shari'a-compliant hedging contract liabilities before deduction of variation margin posted		3,443			3,443
29	All other assets not included in the above categories		413,155		1,233	413,155
30	OBS items		797,673			39,884
31	Total RSF					1,999,445
32	NSFR (%)					123%