

Ithmaar Bank B.S.C (c)
Liquidity Disclosures – Basel III
31 March 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 31 March 2021.

Pillar 3 LCR Common Disclosure Template		
For the Quarter ended 31/3/2021		
BD 000		
BD 000	Total Unweighted Value (average)	Total Weighted Value (average)
HIGH-QUALITY LIQUID ASSETS		
1	Total HQLA	526,933
CASH OUTFLOWS		
2	Retail deposits and deposits from small business customers, of which:	
3	Stable deposits	6,727
4	Less stable deposits	99,873
5	Unsecured wholesale funding, of which:	
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	26,644
7	Non-operational deposits (all counterparties)	242,198
8	Unsecured debt	-
9	Secured wholesale funding	-
10	Additional requirements, of which:	
11	Outflows related to derivative exposures and other collateral requirements	1,869
12	Outflows related to loss of funding on debt products	-
13	Credit and liquidity facilities	18,882
14	Other contractual funding obligations	68,212
15	Other contingent funding obligations	26,698
16	TOTAL CASH OUTFLOWS	491,102
CASH INFLOWS		
17	Secured lending (eg reverse repos)	-
18	Inflows from fully performing exposures	112,724
19	Other cash inflows	-
20	TOTAL CASH INFLOWS	112,724
		TOTAL ADJUSTED VALUE
21	TOTAL HQLA	526,933
22	TOTAL NET CASH OUTFLOWS	378,378
23	LIQUIDITY COVERAGE RATIO (%)	139%

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 March 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:	130,803	0	0	10,782	141,585
2	Regulatory Capital	130,803				130,803
3	Other Capital Instruments				10,782	10,782
4	Retail deposits and deposits from small business customers:	0	1,285,700	279,814	145,878	1,569,141
5	Stable deposits	0	264,251	21,759	9,730	281,439
6	Less stable deposits	0	1,021,449	258,055	136,149	1,287,702
7	Wholesale funding:	0	465,649	347,443	371,635	674,216
8	Operational deposits			0		0
9	Other wholesale funding		465,649	347,443	371,635	674,216
10	Other liabilities:	0	336,071	0	7,073	7,073
11	NSFR Shari'a-compliant hedging contract liabilities		21,706			
12	All other liabilities not included in the above categories		314,365		7,073	7,073
13	Total ASF					2,392,015
Required Stable Funding (RSF):						
14	Total NSFR high-quality liquid assets (HQLA)					11,781
15	Deposits held at other financial institutions for operational purposes			0		0
16	Performing loans and securities:		461,761	118,537	1,431,674	1,517,113
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		108,475	14,046	584,480	607,774
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:		353,286	104,491	646,548	778,454
20	- With a risk weight of less than or equal to 35% as per the CBB Capital Adequacy Ratio guidelines				180,004	117,003
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				19,364	12,587
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities				1,278	1,296
24	Other assets:	0	436,558	0	1,278	436,558
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		4,341			4,341
29	All other assets not included in the above categories		432,217		1,278	432,217
30	OBS items		748,471			37,424
31	Total RSF					2,002,876
32	NSFR (%)					119%