



# **AL SALAM BANK-BAHRAIN B.S.C.**

## **Liquidity Coverage Ratio (LCR) Report Consolidated**

**30 June 2019**

AL SALAM BANK-BAHRAIN B.S.C.			
Liquidity Coverage Ratio (LCR) Report - Consolidated			
30 June 2019			
	Factor	BHD '000	
		Total Amount	Amount with Factor Applied
<b>Stock of HQLA</b>			
<b>A. Level 1 assets:</b>			
Coins and banknotes	100%	54,061	54,061
Qualified balances with the CBB	100%	36,261	36,261
Debt securities/Sukuk issued by the CBB or the Government of Bahrain	100%	168,949	168,949
Debt securities/Sukuk issued by governments of GCC member states and their central banks;	100%	1,808	1,808
Debt securities/Sukuk that can be monetised and issued or guaranteed by sovereigns, central banks, PSEs, IMF, BIS, ECB, EC, or MDBs	100%	3,805	3,805
Debt securities/Sukuk issued in local currency by sovereign or the country's central bank, where the liquidity risk arises or the banks home country – given a non-0 percent Risk-weight (RW);	100%	-	-
Debt securities/Sukuk issued in foreign currency by sovereign or central bank that does not exceed the value of the net cash outflow in the foreign currency caused by a stress scenario based on the bank's operations in the country where the liquidity risk arises from – given a non-0 percent RW	100%	-	-
<b>Total level 1 Assets</b>			<b>264,884</b>
<b>B. Level 2 assets (maximum of 40 percent Of HQLA)</b>			
<b>1) Level 2A assets</b>			
Debt securities/Sukuk that can be issued and liquidated or guaranteed by sovereigns, central banks, PSEs, and qualified MDBs	Fine		-
Debt securities/Sukuk qualified for liquidation (including commercial paper)	85%		-
Qualified covered bonds	85%		-
<b>2) Level 2B assets (maximum of 15 percent of HQLA)</b>			
Debt securities/Sukuk (including commercial paper) issued by qualified non-financial institutions	Fine		-
Qualified common equity shares	50%		-
	50%		-
<b>Total level 2 Assets (1+2)</b>			<b>-</b>
<b>Total value of stock of HQLA</b>			<b>264,884</b>
<b>Cash Outflows</b>			
<b>A1. Retail Mudaraba, Wakala and Reverse Murabaha Deposits</b>			
Demand deposits and term deposits (maturity within 30 days)			
Stable deposits; and	3%	47,176	1,415
Less stable – retail deposits	10%	107,117	10,712
Retail and Small Business Customers demand and fixed deposits (for overseas branches and subsidiaries)*	-		-
<b>B. Unsecured Wholesale Mudaraba, Wakala and Reverse Murabaha Funding</b>			
<b>1) Small business customer deposits:</b>			
Less stable deposits	10%	51,135	5,114
Term deposits with remaining maturity over 30 days	0%	-	-
			-
<b>2) Operational deposits generated by clearing, custody, and cash management:</b>			
	25%	-	-
			-
<b>3) Deposits from non-financial institutions, sovereign, central banks, multilateral development banks, PSEs, and Bahrain's Social Insurance Organization and GCC PIFs where PIF is a controller of the bank.</b>			
	40%	304,474	121,789
			-
<b>4) Deposits from Financial Institutions and other legal entity corporations.</b>			
	100%	164,698	164,698
<b>C. Secured Funding</b>			
Backed by level 1 assets or with central banks	0%	4,550	-
Backed by level 2A assets	15%		-
Secured funding transactions with domestic sovereign, PSE's or multilateral development banks that are not backed by level 1 or 2A assets	25%		-
Backed by other level 2B assets	50%		-
All others	100%		-
<b>D. Other Cash Outflow</b>			
Net Shari'a-compliant hedging contract cash outflow	100%		-
Asset-backed securities, covered sukuk, and other structured financing instruments	100%		-
Asset-backed commercial sukuk, securities investment vehicles, and other similar financing tool	100%		-
Committed: credit and liquidity facilities given by bank to:			-
Retail and small business customers, including credit cards (from amount not used)	5%	31,940	1,597
Non-financial corporates, sovereigns and central banks, PSEs and multilateral development banks (from amount not used) - Credit	10%		-
Non-financial corporates, sovereigns and central banks, PSEs and multilateral development banks (from amount not used) - Liquidity	30%	14,407	4,322
Banks subject to prudential supervision (from amount not used)	40%	903	361
Other financial institutions (including securities firms and insurance firms) (from amount not used) - Credit	40%		-
Other financial institutions (including securities firms and insurance firms) (from amount not used) - Liquidity	100%		-
Other legal entities (from amount not used)	100%		-
Other Contingent Funding Obligations:			-
Guarantees, LCs, revocable credit and liquidity facilities, non-contractual commitments	5%	50,904	2,545
Customer short positions that are covered by other customers' collateral	50%		-
Increased liquidity needs related to the potential for valuations changes on posted collateral	20%		-
Other contractual cash outflows	100%		-
<b>Total Cash Outflow</b>			<b>312,554</b>
<b>Cash Inflows</b>			
<b>A. Secured lending transactions backed by the following asset category</b>			
Level 1 assets	0%		-
Level 2A assets	15%		-
Level 2B assets	50%		-
Margin lending backed by all other collateral	50%		-
Other collateral	100%		-
<b>B. Committed facilities – credit and liquidity facilities given to banks</b>			
	0%		-
<b>C. Other inflows by</b>			
Retail and small business customer	50%	16,170	8,085
Non-retail customers:			
1. Financial institutions and central banks	100%	176,198	176,198
2. Non-financial institutions	50%	3,412	1,706
Operational deposits held at other financial institutions	0%		-
<b>D. Other net Shari'a-compliant hedging contract cash inflows; and</b>			
	100%		-
<b>E. Other contractual cash inflows</b>			
	100%		-
<b>Total Cash Inflows</b>			<b>185,988</b>
<b>Net cash outflow = total cash outflow – total cash inflow or lowest value (75 percent of total cash outflow)</b>			<b>126,565</b>
<b>Liquidity coverage ratio – HQLA / Net cash outflow</b>			<b>209%</b>