



بنك البحرين للتنمية شركة مساهمة  
BAHRAIN DEVELOPMENT BANK B.S.C (c)

## Liquidity Disclosures - Basel III

September 2024

### Consolidated Liquidity Coverage Ratio – September 2024

In August 2018, the Central Bank of Bahrain (CBB) issued its regulations on Liquidity Risk Management (LM). Amongst other things, the LM regulations mandate banks to implement Liquidity Coverage Ratio (LCR) by end of June 2019. The main objective of the LCR is to promote short-term resilience of the liquidity risk profile of banks by ensuring that they have sufficient level of high-quality liquid assets (HQLAs) to honour net cash outflows and survive a significant stress scenario lasting for a period of up to 30 days. As per CBB LM regulations, banks must meet the minimum LCR of not less than 100 percent daily.

The below table provides information on BDB's Consolidated LCR for the quarter ended 30<sup>th</sup> September 2024.

(In BD 000')

Consolidated LCR		Total Unweighted Value (average)	Total Weighted Value (average)
<b>HIGH-QUALITY LIQUID ASSETS</b>			
1	Total HQLA		84,091
<b>CASH OUTFLOWS</b>			
2	<b>Retails Deposits and deposits from small business customers, of which:</b>		
3	Stable Deposits		
4	Less Stable Deposits	116	12
5	<b>Unsecured wholesale funding, of which:</b>		
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks		
7	Non-operational deposits (all counterparties)	29,415	15,855
8	Unsecured Debt		
9	<b>Secured wholesale funding</b>		
10	Additional requirements, of which:		
11	Outflows related to derivative exposures and other collateral requirements		
12	Outflows related to loss of funding on debt products		
13	Credit and liquidity facilities	2,254	113
14	<b>Other contingent funding obligations</b>	283	14
15	<b>Other contractual funding obligations</b>	821	821
16	<b>Total Cash Outflows</b>	<b>32,889</b>	<b>16,814</b>
<b>CASH INFLOWS</b>			
17	Secured lending (eg reverse repos)		
18	Inflows from fully performing exposures	3,014	1,326
19	Other cash inflows		
20	<b>Total Cash Inflows</b>	<b>3,014</b>	<b>1,326</b>
			<b>Total Adjusted Value</b>
21	<b>TOTAL HQLA</b>		<b>84,091</b>
22	<b>TOTAL NET CASH OUTFLOWS</b>		<b>15,489</b>
23	<b>LIQUIDITY COVERAGE RATIO (%)</b>		<b>543%</b>

As per the CBB LM module, the consolidated LCR of 543% reported above in line 23 is the simple average of daily LCR during Q3 2024.

## Net Stable Funding Ratio – September 2024

The CBB's Net Stable Funding Ratio (NSFR) regulations became effective on 31<sup>st</sup> December 2019. The objective of the NSFR is to promote the resilience of banks' liquidity risk profile and to incentivise a more resilient banking sector over a longer time horizon. The NSFR requires banks to maintain a stable funding profile in relation to assets and off-balance sheet activities. A sustainable funding structure is intended to reduce the likelihood of disruptions to a bank's regular sources of funding that will erode its liquidity position in a way that would increase the risk of its failure and potentially lead to broader systemic stress. The NSFR limits over-reliance on short-term wholesale funding, encourages better assessment of funding risk across all on-balance sheet and off-balance sheet items, and promotes funding stability. The NSFR must be equal to at least 100% on an ongoing basis.

The below table provides information on BDB's Consolidated NSFR as of 30<sup>th</sup> September 2024:

(In BD 000')

No.	Item	Unweighted Values (before applying factors)				Total Weighted Value
		No Specified maturity	Less than 6 months	More than 6 months and less than one year	Over one year	
<b>Available Stable Funding (ASF)</b>						
<b>1</b>	<b>Capital:</b>					
2	Regulatory Capital	64,581	-	-	938	65,519
3	Other Capital Instruments	-	-	-	-	-
<b>4</b>	<b>Retail Deposits and deposits from small business customers:</b>					
5	<b>Stable Deposits:</b>	-	-	-	-	-
6	<b>Less stable deposits:</b>		-	-	-	-
<b>7</b>	<b>Wholesale funding:</b>					
8	Operational Deposits	-	-	-	-	-
9	Other Wholesale Funding	-	33,174	5,460	104,396	117,908
<b>10</b>	<b>Other liabilities:</b>					
11	NSFR Derivative Liabilities		-	-	-	-
12	All other liabilities not included in the above categories		5,795	-	224	224
<b>13</b>	<b>Total ASF</b>					183,651
<b>Required Stable Funding (RSF)</b>						
<b>14</b>	<b>Total NSFR high-quality liquid assets (HQLA)</b>					3,289
15	Deposits held at other financial institutions for operational purposes	-	1,232	-	-	616
<b>16</b>	<b>Performing loans and securities:</b>					
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	-	-	-	-	-
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:	-	4,249	4,091	-	4,170
20	-With a risk weight of less than or equal to 35% under the CBB Capital Adequacy Ratio guidelines	-	-	-	78,033	66,328
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	-	-	-	-	-
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	-	-
<b>24</b>	<b>Other Assets:</b>					
25	Physical traded commodities, including gold	-				-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		-	-	-	-
27	NSFR Derivative Assets		-	-	-	-
28	NSFR Derivative Liabilities before deduction of variation margin posted		-	-	-	-
29	All other assets not included in the above categories	44,630	-	-	-	44,630
30	OBS Items		14,681	-	-	734
<b>31</b>	<b>Total RSF</b>					119,767
<b>32</b>	<b>NSFR %</b>					<b>153%</b>