

Liquidity Coverage Ratio:

Bank has adopted Basel III liquidity standards and is reporting the liquidity coverage ratio (LCR) to the Central Bank of Oman (CBO) with effect from March 2013. The LCR is defined as the proportion of high quality liquid assets to total net cash outflows over the next 30 days. The high quality liquid assets include cash; reserves held with CBO; investment in CBO Certificate of Deposits, CBO Treasury Bills, Government Development Bonds; Sovereign Treasury Bills; and investment in equity listed on Muscat Securities Market. LCR is a measure of adequacy of liquid assets that will enable the Bank to survive an acute stress scenario lasting for 30 days.

As per CBO guidelines, the LCR is to be maintained at a minimum of 100% from 01.01.2019. In compliance with the CBO guidelines, the Bank is meeting the regulatory limit of LCR as at 30th September 2023.

The disclosure for Liquidity Coverage Ratio for Bank Dhofar consolidated (i.e. conventional entity + Islamic Window entity) as at 30th September 2023 is as follows:

Bank Dhofar Consolidated LCR Disclosure for the Quarter ending: Sep 2023	Total Unweighted Value (average) OMR '000	Total Weighted Value (average) OMR '000
High Quality Liquid Assets		
1 Total High Quality Liquid Assets (HQLA)		535,218.07
Cash Outflows		
2 Retail deposits and deposits from small business customers, of which:	575,242.22	40,451.00
3 Stable deposits	341,464.47	17,073.22
4 Less stable deposits	233,777.75	23,377.77
5 Unsecured wholesale funding, of which:	1,062,796.77	568,599.75
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks		
7 Non-operational deposits (all counterparties)	1,062,796.77	568,599.75
8 Unsecured debt		
9 Secured wholesale funding		
10 Additional requirements, of which	337,414.70	31,334.20
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	337,414.70	31,334.20
14 Other contractual funding obligations	91,079.00	91,079.00
15 Other contingent funding obligations	684,687.00	34,234.35
16 TOTAL CASH OUTFLOWS		765,698.30
Cash Inflows		
17 Secured lending (e.g. reverse repos)		
18 Inflows from fully performing exposures	550,398.32	290,473.53
19 Other cash inflows	44,308.19	44,308.19
20 TOTAL CASH INFLOWS	594,706.51	334,781.72
		Total Adjusted Value
21 TOTAL HQLA		535,218.07
22 TOTAL NET CASH OUTFLOWS		430,916.58
23 LIQUIDITY COVERAGE RATIO (%)		124.20

LCR is computed on a monthly basis and the same for Bank Dhofar (consolidated entity) was at 129.30% as at July 2023, 124.43% as at August 2023 and 119.29% as at September 2023. The above disclosed values for high quality liquid assets, cash outflows and cash inflows are the monthly arithmetic average of the values for the three months of the quarter ended 30.09.2023.

The Bank provides Shari'a compliant services and products through a window under the name of "Maisarah Islamic Banking Services (MIBS)". LCR for Maisarah Islamic Banking Services is separately computed and the average position as 30th September 2023 is given below:

Maisarah Islamic Banking Services (MIBS) LCR Disclosure for the quarter ended September 2023	Total Unweighted Value (average) OMR '000	Total Weighted Value (average) OMR '000
High Quality Liquid Assets		
1 Total High Quality Liquid Assets (HQLA)		101,889.57
Cash Outflows		
2 Retail deposits and deposits from small business customers, of which	96,810.04	7,424.91
3 Stable deposits	45,121.83	2,256.09
4 Less stable deposits	51,688.21	5,168.82
5 Unsecured wholesale funding, of which:	134,249.09	64,660.45
6 Operational deposits (all counterparties) and deposits in networks of cooperative banks		
7 Non-operational deposits (all counterparties)	134,249.09	64,660.45
8 Unsecured debt		
9 Secured wholesale funding		
10 Additional requirements, of which	47,673.36	4,397.16
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	47,673.36	4,397.16
14 Other contractual funding obligations	14,361.43	14,361.43
15 Other contingent funding obligations	20,294.51	1,014.73
16 TOTAL CASH OUTFLOWS		91,858.69
Cash Inflows		
17 Secured lending (e.g. reverse repos)		
18 Inflows from fully performing exposures	87,466.51	25,947.30
19 Other cash inflows	12,077.58	12,077.58
20 TOTAL CASH INFLOWS	99,544.09	38,024.88
		Total Adjusted Value
21 TOTAL HQLA		101,889.57
22 TOTAL NET CASH OUTFLOWS		53,833.80
23 LIQUIDITY COVERAGE RATIO (%)		189.27

As stated above, the LCR is computed on a monthly basis and the same for MIBS was 126.51% as at July 2023, 329.51% as at August 2023 and 206.22% as at September 2023. The above disclosed values for high quality liquid assets, cash outflows and cash inflows are the monthly arithmetic average of the values for the three months of the quarter ended 30.09.2023.