

## MAS NOTICE FHC-N653

29 June 2022

Last revised on 16 May 2024\*

NOTICE TO DESIGNATED FINANCIAL HOLDING COMPANIES  
FINANCIAL HOLDING COMPANIES ACT 2013

### NET STABLE FUNDING RATIO (“NSFR”) DISCLOSURE

---

#### Introduction

1 This Notice is issued pursuant to section 60(1) of the Financial Holding Companies Act 2013 (“the Act”) and applies to all financial holding companies that –

- (a) have a subsidiary that is a bank incorporated in Singapore;
- (b) are predominantly banking DFHCs; and
- (c) are internationally active designated financial holding companies or are entities included within a group that is designated by the Authority as a domestic systemically important bank<sup>1</sup> (“D-SIB”).

(referred to in this Notice as “FHCs”, or each, an “FHC”).

2 This Notice sets out requirements for an FHC to disclose quantitative and qualitative information about its Net Stable Funding Ratio (“NSFR”) on a consolidated (“Group”) level, which consolidates the assets and liabilities of all its FHC group entities, other than those of the following FHC group entities, if any:

- (a) an insurance subsidiary;
- (b) any other entity, where such non-consolidation of assets and liabilities of the entity is expressly permitted under the Accounting Standards. To avoid doubt, the exemption for an entity that is a parent from presenting consolidated financial statements in paragraph 4(a) of Singapore Financial Reporting Standards 110 (“SFRS 110”) Consolidated Financial Statements does not apply to the FHC for the purposes of complying with this paragraph.

---

<sup>1</sup> More information on the D-SIB framework can be found at <https://www.mas.gov.sg/-/media/MAS/News-and-Publications/Monographs-and-Information-Papers/Monograph--MAS-Framework-for-Impact-and-Risk-Assessment.pdf>.

- 3 An FHC need not comply with the requirements in this Notice if it is a subsidiary of –
- (a) another FHC that is subject to the requirements in this Notice; or
  - (b) a bank that is subject to the requirements in MAS Notice 653.

### **Definitions**

- 4 In this Notice –
- “bank” has the same meaning as in paragraph 7 of MAS Notice FHC-N652;
- “Banking Act” means the Banking Act 1970;
- “FHC” has the same meaning as in paragraph 1;
- “financial holding company” has the same meaning as in section 2(1) of the Act;
- “NSFR Disclosure Template” refers to the template set out in Table 1 of Annex 1;
- “subsidiary” has the same meaning as in section 2(1) of the Act.

- 5 The expressions used in this Notice, except where defined in this Notice or where the context otherwise requires, have the same meanings as in the Banking Act and in paragraphs 2 and 25 of MAS Notice FHC-N649 and paragraph 7 of MAS Notice FHC-N652.

### **Public Disclosure of Quantitative and Qualitative Information**

- 6 An FHC must publish semi-annually –
- (a) quantitative information relating to its NSFR in the format of the NSFR Disclosure Template<sup>2</sup> in accordance with the instructions provided in Annex 2; and
  - (b) qualitative information<sup>3</sup> relating to its NSFR for the purposes of facilitating users’ understanding of its results and the accompanying data.

---

<sup>2</sup> Explanations for the respective items in the NSFR Disclosure Template are set out in Table 2 of Annex 1.

<sup>3</sup> Examples of the qualitative information are –

- (a) the drivers of the FHC’s NSFR results and the reasons for intra-period changes as well as the changes over time (e.g. changes in strategies, funding structure, circumstances, etc); and
- (b) the composition of the FHC’s interdependent assets and liabilities (as defined in paragraph 56 of MAS Notice FHC-N652) and the extent to which these transactions are interrelated.

7 For reporting periods ending otherwise than at the close of an annual reporting period  
–

- (a) an FHC that issues quarterly financial statements must publish the quantitative and qualitative information referred to in paragraph 6 concurrently with the publication of its quarterly financial statements, and in any case, not later than 45 days after the end of the reporting period; and
- (b) an FHC that does not issue quarterly financial statements must publish the quantitative and qualitative information referred to in paragraph 6 not later than 45 days after the end of the reporting period.

8 For reporting periods ending at the close of an annual reporting period –

- (a) an FHC that issues an annual report must publish the quantitative and qualitative information referred to in paragraph 6 concurrently with the publication of its annual report or financial statements, and in any case, not later than 4 months after the end of the reporting period; and
- (b) an FHC that does not issue an annual report must publish the quantitative and qualitative information referred to in paragraph 6 not later than 4 months after the end of the reporting period.

9 Despite paragraph 6, an FHC that is not an entity within a group that is designated by the Authority as a D-SIB may publish the quantitative and qualitative information referred to in paragraph 6 on an annual basis.

10 An FHC must publish the quantitative and qualitative information referred to in paragraph 6 in the standalone Pillar 3 report required under paragraph 11.2.8 of MAS Notice 637 as applied by paragraph 7.1 of MAS Notice FHC-N637.

[MAS Notice FHC-N653 (Amendment) 2024]

11 An FHC must make available on its website an archive of all quantitative and qualitative information referred to in paragraph 6 that it has published for a period of not less than 5 years.

12 An FHC must present the quantitative information referred to in paragraph 6 in the same currency as its published financial statements.

13 An FHC must present the quantitative information referred to in paragraph 6 as at the last day of each of the 2 preceding quarters.

14 An FHC must disclose both unweighted and weighted values of the NSFR components unless otherwise indicated. Weighted values are calculated as the values after ASF or RSF factors are applied. See Annex 2 for more details.

15 An FHC must present narrative commentaries to supplement the disclosure of quantitative information referred to in paragraph 6 in a format at the FHC's discretion to explain any significant changes between reporting periods and any other issues of interest to users.

16 Despite paragraph 6, an FHC may omit the disclosure of any information required in this Notice if the omitted information is –

- (a) proprietary or confidential in nature as defined in paragraph 11.2.14 of MAS Notice 637 as applied by paragraph 7.1 of MAS Notice FHC-N637; or

[MAS Notice FHC-N653 (Amendment) 2024]

- (b) assessed not to be meaningful to users.

17 Where an FHC omits a disclosure under paragraph 16(a), the FHC must identify the information that it has omitted to disclose in a narrative commentary and provide a reason for the omission. The FHC must also disclose general qualitative information about the subject matter of the disclosure requirement.

18 Where an FHC omits a disclosure under paragraph 16(b), the FHC must state clearly in a narrative commentary why the information that it has omitted to disclose is assessed not to be meaningful to users.

19 An FHC must ensure that the disclosure of quantitative and qualitative information referred in paragraph 6 is subject, at a minimum, to the same level of internal review and internal control processes as the information provided by the FHC for its financial reporting, if applicable, and the level of assurance must be the same as for information provided within the management discussion and analysis part of its annual report.

20 An FHC must take into consideration the disclosures required under this Notice in formulating its disclosure policy in accordance with paragraphs 11.2.19 and 11.2.20 of MAS Notice 637 as applied by paragraph 7.1 of MAS Notice FHC-N637.

[MAS Notice FHC-N653 (Amendment) 2024]

21 To avoid doubt, an FHC may disclose<sup>4</sup> information in addition to those required in paragraph 6 to provide users with a broader picture of the FHC's risk position and promote market discipline.

22 An FHC must apply the principles in paragraph 11.1.2 of MAS Notice 637 as applied by paragraph 7.1 of MAS Notice FHC-N637 in making its disclosures.

### **Effective Date**

23 This Notice takes effect on 1 July 2022.

---

<sup>4</sup> If an FHC discloses additional quantitative information, the FHC should also disclose sufficient meaningful information to enable users to understand and analyse the quantitative information disclosed, accompanied by a qualitative discussion.

Table 1

## NSFR Disclosure Template

		Unweighted value by residual maturity				Weighted value
		No maturity <sup>5</sup>	< 6 months	6 months to < 1 yr	≥ 1 yr	
<b>ASF Item</b>						
1	Capital:					
2	<i>Regulatory capital</i>					
3	<i>Other capital instruments</i>					
4	Retail deposits and deposits from small business customers:					
5	<i>Stable deposits</i>					
6	<i>Less stable deposits</i>					
7	Wholesale funding:					
8	<i>Operational deposits</i>					
9	<i>Other wholesale funding</i>					
10	Liabilities with matching interdependent assets					
11	Other liabilities:					
12	<i>NSFR derivative liabilities</i>					
13	<i>All other liabilities and equity not included in the above categories</i>					
14	Total ASF					
<b>RSF Item</b>						
15	Total NSFR high-quality liquid assets (HQLA)					
16	Deposits held at other financial institutions for operational purposes					
17	Performing loans and securities:					
18	<i>Performing loans to financial institutions secured by Level 1 HQLA</i>					
19	<i>Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured</i>					

<sup>5</sup> Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.

	<i>performing loans to financial institutions</i>					
20	<i>Performing loans to non-financial corporates, loans to retail and small business customers, and loans to sovereigns, central banks and public sector entities (PSEs), of which:</i>					
21	<i>With a risk weight of less than or equal to 35% under paragraphs 7.3.42 to 7.3.51, 7.3.67 to 7.3.79, 7.3.93, 7.3.94 and 7.3.98 of MAS Notice 637 as applied by paragraph 7.1 of MAS Notice FHC-N637</i>					
22	<i>Performing residential mortgages, of which:</i>					
23	<i>With a risk weight of less than or equal to 35% under paragraphs 7.3.91 and 7.3.92 of MAS Notice 637 as applied by paragraph 7.1 of MAS Notice FHC-N637</i>					
24	<i>Securities that are not in default and do not qualify as HQLA, including exchange-traded equities</i>					
25	Assets with matching interdependent liabilities					
26	Other assets:					
27	<i>Physical traded commodities, including gold</i>					
28	<i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>					
29	<i>NSFR derivative assets</i>					
30	<i>NSFR derivative liabilities before deduction of variation margin posted</i>					
31	<i>All other assets not included in the above categories</i>					
32	Off-balance sheet items					

<b>33</b>	<b>Total RSF</b>					
<b>34</b>	<b>Net Stable Funding Ratio (%)</b>					

[MAS Notice FHC-N653 (Amendment) 2024]

**Table 2**

Explanation of each row of the NSFR disclosure template		
Row number	Explanation	Relevant paragraph(s) of MAS Notice FHC-N652
1	Capital is the sum of rows 2 and 3.	
2	Regulatory capital before the application of capital deductions, as defined in paragraph 7 of MAS Notice FHC-N652.	10(a), 13(d) and 15(a)
3	Total amount of any capital instruments not included in row 2.	10(b), 13(d) and 15(a)
4	Retail deposits and deposits from small business customers are the sum of rows 5 and 6.	
5	Stable deposits that are demand deposits and/or term deposits provided by retail and small business customers.	10(c), 10(d), 11(a), 11(b), 11(c) and 19
6	Less stable deposits that are demand deposits and/or term deposits provided by retail and small business customers.	10(c), 10(d), 12(a), 12(b), 12(c) and 19
7	Wholesale funding is the sum of rows 8 and 9.	
8	Operational deposits: As set out in paragraph 14 of MAS Notice FHC-N652, including deposits from members of an institutional network of cooperative banks.	10(c), 13(b), 15(a) and 19
9	Other wholesale funding include funding (secured and unsecured) provided by non-financial corporates, sovereigns, PSEs, multilateral and national development banks, central banks and financial institutions.	10(c), 13(a), 13(c), 13(d), 15(a) and 19
10	Liabilities with matching interdependent assets.	56
11	Other liabilities are the sum of rows 12 and 13.	
12	In the unweighted cells, report NSFR derivative liabilities as calculated according to paragraphs 21 and 22 of MAS Notice FHC-N652. There is no need to differentiate by maturities. [The weighted value under NSFR derivative liabilities is cross-hatched given that it will be zero after the 0% ASF is applied.]	15(c), 21 and 22
13	All other liabilities and equity not included in above categories.	15(a), 15(b) and 15(d)
14	Total ASF is the sum of all weighted values in rows 1, 4, 7, 10 and 11.	
15	Total HQLA as set out in paragraph 7 of the MAS Notice FHC-N652 (encumbered and unencumbered): a) Encumbered assets including assets backing securities or covered bonds. b) Unencumbered means free of legal, regulatory, contractual or other restrictions on the ability of	44(a), 44(b), 45, 47(a), 48(a), 48(b), 50(a) and 54(a)

	the FHC to liquidate, sell, transfer or assign the asset.	
16	Deposits held at other financial institutions for operational purposes as set out in paragraph 14 of MAS Notice FHC-N652.	48(d)
17	Performing loans and securities are the sum of rows 18, 19, 20, 22 and 24.	
18	Performing loans to financial institutions secured by Level 1 HQLA.	30, 32, 46, 48(c) and 54(d)
19	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions.	30, 32, 47(b), 48(c) and 54(d)
20	Performing loans to non-financial corporates, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs.	30, 32, 44(c), 48(e), 49(b), 50(b) and 54(a)
21	Performing loans to non-financial corporates, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs with risk weight of less than or equal to 35% under paragraphs 7.3.42 to 7.3.51, 7.3.67 to 7.3.79, 7.3.93, 7.3.94 and 7.3.98 of MAS Notice 637 as applied by paragraph 7.1 of MAS Notice FHC-N637.	30, 32, 44(c), 48(e), 49(b) and 54(a)
22	Performing residential mortgages.	48(e), 49(a), 50(b) and 54(a)
23	Performing residential mortgages with risk weight of less than or equal to 35% under paragraphs 7.3.91 and 7.3.92 of MAS Notice 637 as applied by paragraph 7.1 of MAS Notice FHC-N637.	48(e), 49(a) and 54(a)
24	Securities that are not in default and do not qualify as HQLA including exchange-traded equities.	48(e), 50(c) and 54(a)
25	Assets with matching interdependent liabilities.	56
26	Other assets are the sum of rows 27 to 31.	
27	Physical traded commodities, including gold.	31(b) and 50(d)
28	Cash, securities or other assets posted as initial margin for derivative contracts and contributions to default funds of CCPs.	50(a)
29	In the unweighted cell, report NSFR derivative assets, as calculated according to paragraphs 41 to 43 of MAS Notice FHC-N652. There is no need to differentiate by maturities. In the weighted cell, if NSFR derivative assets are greater than NSFR derivative liabilities, as calculated according to paragraphs 21 and 22 of MAS Notice FHC-N652, report the positive difference between NSFR derivative assets and NSFR derivative liabilities.	41, 42, 43 and 54(b)

30	In the unweighted cell, report derivative liabilities as calculated according to paragraph 21 of MAS Notice FHC-N652, i.e. before deducting variation margin posted. There is no need to differentiate by maturities. In the weighted cell, report 5% of derivative liabilities unweighted value (subject to 100% RSF).	21 and 54(e)
31	All other assets not included in the above categories.	31(a), 44(d) and 54(d)
32	Off-balance sheet items.	57 and 58
33	Total RSF is the sum of all weighted value in rows 15, 16, 17, 25, 26 and 32.	
34	Net stable funding ratio (%) is total ASF in row 14 divided by total RSF in row 33.	7

[MAS Notice FHC-N653 (Amendment) 2024]

### Instructions for Completing the NSFR Disclosure Template

- Rows in the template are set and compulsory for all FHCs. Table 2 of Annex 1 provides a table that sets out an explanation of each line of the common template, with references to the relevant paragraph(s) of MAS Notice FHC-N652. Key points to note about the common template are:
  - Each dark grey row introduces a section of the NSFR template.
  - Each light grey row represents a broad subcomponent category of the NSFR in the relevant section.
  - Each unshaded row represents a subcomponent within the major categories under ASF and RSF items.<sup>6</sup> The relevant subcomponents to be included in the calculation of each row are specified in Table 2 of Annex 1.
  - No data should be entered for the cross-hatched cells.
- Figures entered in the template should be the quarter-end observations of individual line items.
- Figures entered for each RSF line item should include both unencumbered and encumbered amounts.
- Figures entered in unweighted columns are to be assigned on the basis of residual maturity and in accordance with paragraphs 16 – 18 and 26 – 28 of MAS Notice FHC-N652.

---

<sup>6</sup> As an exception, rows 21 and 23 are subcomponents of rows 20 and 22, respectively. As indicated in Table 2 of Annex 1, row 17 is the sum of rows 18, 19, 20, 22 and 24.

**\* Notes on History of Amendments**

1. MAS Notice FHC-N653 (Amendment) 2024 dated 16 May 2024 with effect from 1 July 2024.