

MAS NOTICE 758 (AMENDMENT) 2022

Issued on: 24 June 2022

MINIMUM CASH BALANCE

Introduction

- 1 This document reflects amendments made to MAS Notice 758.
- 2 For presentational purposes, the amendments in this document are compared with the version of MAS Notice 758 issued on 13 February 2008, as last revised on 6 March 2014 (the “Original Notice”).
- 3 This document shall be interpreted as follows:
 - (a) Text which is coloured and struck through represent deletions, and will not appear in the untracked version of MAS Notice 758 revised on 24 June 2022 (“Published Version”); and
 - (b) Text which is coloured and underlined represent insertions.
- 4 The amendments reflected in this document shall take effect on 1 July 2022.
- 5 In the event of discrepancies between the amendments in this document and the Published Version, the Published Version shall prevail. This document is to be used for reference only.

MAS NOTICE 758

13 February 2008

Last revised on ~~6 March 2014~~24 June 2022*

NOTICE TO BANKS
BANKING ACT, CAP 19

MINIMUM CASH BALANCE

1 This Notice is issued pursuant to section 39⁽¹⁾ of the Banking Act (Cap 19) (“the Act”) and applies to all banks in Singapore.

[\[MAS Notice 758 \(Amendment\) 2022\]](#)

Definitions

2 In this Notice —

“computation period” means the relevant 2-week period beginning on a Thursday and ending on a Wednesday;

“maintenance period” means the relevant 2-week period beginning on the third Thursday immediately following the end of a computation period and ending on a Wednesday;

“Current Account” means any account maintained with the Authority for holding cash to meet requirements under the Act and in the case of a bank which is a participant in MEPS+, for the settlement of any payments due and payable by the bank under MEPS+;

“Custody Cash Account” means any account maintained with the Authority for holding cash to meet the requirements under the Act

and in the case of a bank which is a participant in Real-Time, for the settlement of any obligations due and payable by the bank under Real-Time, in accordance with the “Terms and Conditions Governing the Operation of the Custody Cash Account” of the Specified Institution set out in the MAS website at www.mas.gov.sg/regulation/payments/meps;

[MAS Notice 758 (Amendment) 2022]

“MEPS+” means the real time gross settlement system established and operated by the Authority under section 29A of the Monetary Authority of Singapore Act (Cap 186);

~~“Qualifying Liabilities” has the same meaning as in MAS Notice 613; and~~

“Real-Time” means the interbank real-time payment processing system under the Bye-Laws of Singapore Clearing House Association In Respect of G3; ~~and~~.

[MAS Notice 758 (Amendment) 2014]

“Singapore Dollar Qualifying Liabilities” has the same meaning as in paragraph 7 of MAS Notice 649.

[MAS Notice 758 (Amendment) 2022]

3 In this Notice, the expressions used shall, except where expressly defined in this Act or where the context otherwise requires, have the same meanings in the Act.

Minimum Cash Balance Requirement

4 A bank ~~shall~~must, during a maintenance period, maintain in its Current Account and Custody Cash Account, an aggregate minimum cash balance of at least an average 3% of its average Singapore Dollar Qualifying Liabilities (referred to as “MCB requirement”) computed during a computation period.

[MAS Notice 758 (Amendment) 2014]

[MAS Notice 758 (Amendment) 2022]

5 Subject to paragraph 4, a bank may, on a day-to-day basis, maintain in its Current Account and Custody Cash Account, an aggregate cash balance within a band of 1% above or below the MCB requirement at the close of business. A bank ~~shall~~ must not count any balance in its Current Account and Custody Cash Account in excess of 4% of the average of its Singapore Dollar Qualifying Liabilities computed during the computation period towards its MCB requirement.

[MAS Notice 758 (Amendment) 2014]
[MAS Notice 758 (Amendment) 2022]

6 Unless directed otherwise under section 39 of the Act, a bank may, on an intra-day basis, utilise the full amount in its Current Account to settle its payments obligations under MEPS+.

[MAS Notice 758 (Amendment) 2014]

7 Notwithstanding paragraphs 5 and 6, a bank ~~shall~~ must, at all times, maintain in its Current Account and Custody Cash Account, an aggregate minimum cash balance of at least 2% of the average of the Singapore Dollar Qualifying Liabilities computed during the computation period, at the close of business of every day during the maintenance period.

[MAS Notice 758 (Amendment) 2014]
[MAS Notice 758 (Amendment) 2022]

8 A bank ~~shall~~ must treat the aggregate cash balances in its Current Account and Custody Cash Account maintained on Saturday as balances maintained for Sunday. Where a bank does not open for business on Saturday, the bank ~~shall~~ must treat the aggregate cash balances in its Current Account and Custody Cash Account maintained on Friday as balances maintained for both Saturday and Sunday. A bank ~~shall~~ must treat the aggregate cash balances in its Current Account and Custody Cash Account maintained immediately before any public holiday as balances maintained for each public holiday concerned. If the Thursday following the last Wednesday of a maintenance period is a public holiday, a bank ~~shall~~ must have sufficient cash balances in its Current Account

and Custody Cash Account to accommodate any increase in the Singapore Dollar Qualifying Liabilities on Thursday.

[MAS Notice 758 (Amendment) 2014]
[MAS Notice 758 (Amendment) 2022]

9 A bank ~~shall~~ must ensure that it has sufficient funds in its Current Account with the Authority to meet its obligations arising out of all transactions held on the same day.

[MAS Notice 758 (Amendment) 2022]

10 Any bank which fails to comply with the minimum cash balance requirements set out in paragraphs 4 and 7 shall be liable to pay, on being called upon to do so by the Authority, for every day or part thereof of such failure, a financial penalty in accordance with the Banking (Financial Penalties under Sections 38 and 39) Order 2007.

11 Subject to paragraph 13, ~~f~~For the reporting of the average Singapore Dollar Qualifying Liabilities, ~~every a~~ bank ~~shall~~ must —

- (a) calculate the average Singapore Dollar Qualifying Liabilities for the computation period and prepare returns in the form set out in the “Qualifying Liabilities Returns” form on MASNET, ~~on Appendix 1~~¹ for each computation period; and
- (b) submit the returns mentioned in sub-paragraph (a) to the Authority through MASNET by 4pm on the within seventh calendar days after of the end of each~~the~~ computation period.

[MAS Notice 758 (Amendment) 2022]

12 Subject to paragraph 13, ~~f~~For the reporting of minimum cash balance returns, every bank ~~must~~shall —

- (a) prepare returns on its cash balances in the form set out in the “Minimum Cash Balance Returns” form on MASNET ~~on Appendix 2~~² for each maintenance period; and
- (b) submit the returns mentioned in sub-paragraph (a) to the

¹-All figures in the returns of Appendix 1 shall be rounded off to the nearest dollar.

²-All figures in the returns of Appendix 2 shall be rounded off to the nearest dollar.

Authority through MASNET by 4pm on the first Friday following the end of a maintenance period.

[MAS Notice 758 (Amendment) 2022]

13 Where a Any bank which is unable to submit anyits returns mentioned in paragraph 11 or 12 due to an outage in through MASNET, the bank need not submit such returns to the Authority through MASNET but must submit the returns in the form set out in Appendices 1 or 2, as the case may be, shall submit the returns to the Authority in hardcopy form instead.

13A If a bank wishes to amend its returns (whether submitted in hardcopy form or through MASNET) after the submission deadline, the bank must submit such amended returns in the form set out in Appendices 1 or 2, as the case may be, shall be submitted in hardcopy form to the Authority.

13B A bank must ensure that aAll hardcopy returns are shall be signed by authorised signatories.

13C A bank must ensure that all figures in the returns submitted under paragraphs 11, 12, 13 and 13A, are rounded down to the nearest dollar.

[MAS Notice 758 (Amendment) 2022]

Effective Date and Transitional Provisions

~~1314 Subject to paragraph 15, This~~ Notice shall take effect on 31 July 2008.

~~14 A bank carrying on banking business immediately before 31 July 2008~~

- ~~(a) shall continue to comply with the requirements set out in the cancelled MAS Notice 613 dated 6 June 2002, and shall comply with the requirements set out in this Notice with effect from 28 August 2008. The first computation period shall be 31~~

~~July 2008 to 13 August 2008 and the corresponding maintenance period shall be 28 August 2008 to 10 September 2008; and~~

~~(b) need only comply with paragraph 11(b) of this Notice with effect from 20 August 2008 and paragraph 12(b) with effect from 12 September 2008.~~

* Notes on History of Amendments

1. MAS Notice 758 (Amendment) 2014 with effect from 6 March 2014.

2. MAS Notice 758 (Amendment) 2022 dated 24 June 2022 with effect from 1 July 2022.

Manual Submission/ Amendment* of Singapore Dollar Qualifying Liabilities Returns

4-digit Bank Code : _____

Name of Bank : _____

Average Singapore Dollar Qualifying Liabilities for the fortnight ending Wednesday _____ (DD/MM/YY) for the maintenance period _____ (DD/MM/YY) to _____ (DD/MM/YY):

S\$ _____

Authorised Signature(s) : _____

Name(s) : _____

Designation(s) : _____

~~Bank's Stamp~~ : _____

Date : _____

* Please delete accordingly

Manual Submission/ Amendment* of Minimum Cash Balance Returns

4-digit Bank Code : _____

Name of Bank : _____

Average Singapore Dollar Qualifying Liabilities : _____

Maintenance Period (DD/MM/YYYY) : _____

	Week 1	Week 2
Thursday	_____	_____
Friday	_____	_____
Saturday	_____	_____
Sunday	_____	_____
Monday	_____	_____
Tuesday	_____	_____
Wednesday	_____	_____
Total	_____	_____

Authorised Signature(s) : _____

Name(s) : _____

Designation(s) : _____

~~Bank's Stamp~~ : _____

Date : _____

* Please delete accordingly