



From : Saudi Arabian Monetary Agency

To : All Banks

Attention: Managing Directors, Chief Executive Officers and General Managers

Subject : **Net Stable Funding Ratio disclosure standards**

We refer to SAMA's Circular # 361000048682 dated 20/01/2015 regarding the Basel Committee on Banking Supervision's (BCBS) Consultative Document entitled Net Stable Funding Ratio Disclosure Standard.

The NSFR will become a minimum standard by 1 January 2018 and this ratio should be equal to at least 100% on an ongoing basis. In line with these requirements, disclosure requirements for the Net Stable Funding Ratio (NSFR) have been developed by BCBS to improve the transparency of regulatory funding requirements, reinforce the Principles for Sound Liquidity Risk Management and Supervision, strengthen market discipline, and reduce uncertainty in the markets as the NSFR is implemented.

The template (as attached herewith) includes quantitative requirements i.e. the major categories of sources and uses of stable funding along with qualitative requirements.

To promote the consistency and usability of disclosures related to the NSFR, all banks will be required to publish their NSFRs according to a common template from the date of first reporting period after 1 January 2018.

Banks should access the BCBS document from the BIS website www.bis.org and are expected to review and adhere to the disclosure requirements, when reporting NSFR, from the date as mentioned in this circular.

Osamah M. Shaker
Director General of Banking Control

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