



BANK OF GHANA

LIQUIDITY COVERAGE RATIO (LCR) DIRECTIVE

for Banks licensed under the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930)

(EXPOSURE DRAFT)

Prepared by the Bank of Ghana

OCTOBER 2026

The Bank of Ghana (BOG) has issued the **Liquidity Coverage Ratio Directive** to solicit comments and inputs from the banking industry and the general public, in line with the BOG's Procedures for Issuance of Directives, 2020.

All comments shall be sent to the Bank of Ghana via email at bsdletters@bog.gov.gh by **30th November 2026**. The Bank of Ghana shall consider all material comments received and provide a written explanation for comments that were incorporated into the final guideline or otherwise.

PUBLIC

Preamble

At the onset of the 2007 financial crisis, many banks encountered significant liquidity strains despite appearing well-capitalized. These difficulties arose from poor liquidity management, underscoring its importance to the smooth functioning of the banking system and the broader financial market.

The role of banks in financial intermediation involves the maturity transformation of short-term deposits into long-term loans, which makes banks vulnerable to liquidity risk.

Liquidity challenges faced by individual banks may have systemic knock-on effects on the banking system, affecting the smooth functioning of payment systems and other segments of the financial market. The LCR will improve the banking sector's ability to absorb shocks arising from financial and economic stress, thus reducing the risk of spillover from the financial sector to the real economy.

Liquidity risk refers to the possibility that an entity may be unable to meet its financial obligations when they fall due without incurring unacceptable losses. This may occur if the entity is unable to promptly convert assets into cash or cannot obtain the necessary funding due to institution-specific difficulties and/or broader market stress.

Sections 36-38 of the Banks and Specialised Deposit-Taking Act, 2016 (Act 930) require Banks, Specialised Deposit-Taking Institutions and Financial Holding Companies to comply with liquidity requirements as prescribed by the Bank of Ghana (BOG). Pursuant to this mandate, BOG is issuing this Liquidity Coverage Ratio (LCR) Directive to further strengthen the liquidity positions of banks in Ghana.

The objective of the LCR is to promote the short-term resilience of banks' liquidity risk profiles. It ensures that banks hold an adequate stock of unencumbered High-Quality Liquid Assets (HQLAs) that can be converted easily and immediately into cash, with little or no loss of value, to meet liquidity needs under a 30-calendar-day liquidity stress scenario.

This Directive is complemented by the Liquidity Monitoring Tools Directive and Liquidity Risk Management Directive, which, when implemented as a package, provides a comprehensive qualitative and quantitative perspective on a bank's liquidity risk management and adequacy.

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PART I - PRELIMINARY

Title

1. This Directive shall be cited as the Bank of Ghana Liquidity Coverage Ratio Directive (LCRD), 2026.

Application

2. This Directive is issued under the powers conferred by Sections 36(2) and 92(1) of the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930) and shall apply to banks at both solo and consolidated levels.
3. This Directive shall be read in conjunction with the Risk Management Directive, 2021, Liquidity Risk Management Directive, 2026, Liquidity Monitoring Tools Directive, 2026, Corporate Governance Directive, 2018, as well as any relevant directive issued by the Bank of Ghana (BOG).

Definitions and Interpretation

4. In this Directive, unless the context otherwise requires, words and expressions used have the same meaning as that assigned to them in the applicable law (including Act 930) and other Directives issued by the BOG, or as defined below:

“Act 930” means the Banks and Specialised Deposit-Taking Institutions Act, 2016 (Act 930).

“Aggregated funding” means the gross amount (i.e. not netting any form of credit extended to the legal entity) of all forms of funding (e.g. deposits or debt securities, or similar derivative exposure for which the counterparty is known to be a small business customer).

“Bank” means a body corporate which engages in the deposit-taking business and is issued with a banking licence in accordance with Act 930.

“Beneficiary” means a legal entity that receives, or may become eligible to receive, benefits under a will, insurance policy, retirement plan, annuity, trust, or other contract.

“BOG” means the Bank of Ghana.

“Cash Management Relationship” means the provision of cash management and related services to customers. In this context, cash management services refers to products and services provided to enable a customer manage its cash flows, assets and liabilities, and conduct financial transactions necessary for its ongoing operations. Such services are limited to payment remittance, collection and aggregation of funds, payroll administration, and control over the disbursement of funds.

“Cash Reserve Requirements (CRR)” means the monetary policy tool that requires banks to hold a portion of their deposits in cash reserves with the Bank of Ghana.

“Clearing Relationship” means a service arrangement that enables customers to transfer funds or securities indirectly through direct participants in domestic settlement systems to final recipients. Such services are limited to the following activities: transmission, reconciliation and confirmation of payment orders; daylight overdraft, overnight financing and maintenance of post-settlement balances; and determination of intra-day and final settlement positions.

“Contingency Funding Plan (CFP)” means the compilation of bank's policies, procedures and action plans for responding to severe disruption to its ability to fund some or all of its activities in a timely manner and at a reasonable cost. Specifically, it is the bank's strategy for handling a variety of prospective liquidity stress events with the goal of maintaining market confidence.

“Correspondent Banking” means arrangements under which one bank (correspondent) holds deposits owned by other banks (respondents) and provides payment and other services to settle foreign currency transactions, including operations of nostro and vostro accounts.

“Corporate Debt Securities (including commercial paper)” means only plain-vanilla assets whose valuation is readily available based on standard market methods and does not depend on private or non-public information.

“Credit and Liquidity Facilities” means explicit contractual agreements or obligations to extend funds at a future date to retail or wholesale counterparties. For the purpose of this Directive, such facilities include only contractually irrevocable (“committed”) or conditionally revocable agreements to extend funds in the future.

“Custody Relationship” means the provision of safekeeping, reporting, and processing of assets or the facilitation of the operational and administrative elements of related activities on behalf of customers in the process of their transacting and retaining financial assets. Such services include the settlement of securities transactions, transfer of contractual payments, processing of collateral, custody-related cash management services, receipt of dividends and other income, and client subscriptions and redemptions. Custodial services can extend to asset and corporate trust servicing, treasury, escrow, funds transfer, stock transfer and agency services, including payment and settlement services (excluding correspondent banking), and depository receipts.

“Deposit Protection Scheme” means the Ghana Deposit Protection Scheme established under the Ghana Deposit Protection Act, 2016 (Act 931).

“Eligible Collateral for Repo or Depo” means Treasury bills and Notes issued by Government of Ghana; Bonds issued or guaranteed by the Government of Ghana; Bank of Ghana bills; Eurobonds issued by the Government of Ghana; and Corporate Bonds listed on the Ghana Fixed Income Market and any other securities or instruments as may be determined by BOG.

“Encumbered Assets” means the bank’s assets that are subject to legal, regulatory, contractual or other restrictions, hence preventing the bank from liquidating, selling, transferring, or assigning such assets.

“Fiduciary” means a legal entity authorised to manage assets on behalf of a third party, including asset management entities such as pension fund trustees and other collective investment vehicle (scheme) managers.

“Foreign Currency Retail Deposits” means retail deposits denominated in any currency other than the Ghana Cedi.

“High-Quality Liquid Assets (HQLA)” means assets that are liquid in markets during periods of stress, and which are, in most cases, eligible for use in central bank operations.

“Liquidity” means the ability of a bank to fund increases in assets and meet its obligations as they fall due, without incurring unacceptable losses.

“Liquidity Coverage Ratio (LCR)” means a ratio designed to ensure that a bank maintains an adequate stock of unencumbered high-quality liquid assets (HQLA) that consists of cash or assets that can be converted easily and immediately into cash at little or no loss of value, to meet its liquidity needs under a 30-day liquidity stress scenario.

“Liquidity Facility” means any committed, undrawn back-up facility that would be used to refinance a customer's debt obligations in situations where such a customer is unable to roll over such debt in financial markets (e.g. pursuant to a commercial paper programme, secured financing transactions, obligations to redeem units, etc).

“Liquidity Risk” means the possibility that an entity may be unable to meet its financial obligations when they fall due without incurring unacceptable losses.

“Liquidity Risk Management” means the strategies and processes established to ensure that liquidity risk is identified, measured, mitigated, monitored, and reported on a timely and comprehensive basis.

“Rehypothecation” means the practice by financial institutions of using, for their own purposes, assets that have been posted to them as collateral.

“Repurchase Agreement (repo)” means a transaction in which one party sells securities to another party and simultaneously commits to repurchase the same or equivalent securities at a specified future date and at a predetermined price.

“Retail Deposits” means deposits placed with a bank by a natural person.

“Run-off Rate” means the expected rate at which liabilities (including deposits or debt securities) are expected to be called or withdrawn in a period of stress.

“Secured Funding” means liabilities and obligations collateralised by legal rights to specifically designated assets of the bank in the case of bankruptcy, insolvency, liquidation or resolution.

“Short Position” means a position where a bank sells a security it does not own, either outright or through matched repo transactions.

“Significant Currency” means the aggregate liabilities denominated in that currency and amounts to 5% or more of the bank's total liabilities.

“Special Purpose Entity (SPE)” means a corporation, trust, or other entity organised for a specific purpose, the activities of which are limited to those appropriate to accomplish the purpose of the SPE, and the structure of which is intended to isolate the SPE from the credit risk of an originator or seller of exposures. SPEs are commonly used as financing vehicles in which exposures are sold to a trust or similar entity in exchange for cash or other assets funded by debt issued by the trust.

“Time-Specific Obligations” means obligations that must be settled at a specified time during the day or within an intraday settlement deadline.

“Total Net Cash Outflows” means total expected cash outflows minus total expected cash inflows over a 30-day stress period.

“Trade Finance Instruments” means trade-related obligations directly linked to the movement of goods or the provision of services, such as: (a) documentary trade letters of credit, documentary and clean collection, import bills, and export bills; and (b) guarantees directly related to trade finance obligations, such as shipping guarantees.

“Unencumbered Assets” means assets of a bank that are free of legal, regulatory, contractual, or other restrictions on the ability of the bank to liquidate, sell, transfer, or assign the asset.

“Unsecured Wholesale Funding” means liabilities and general obligations raised from non-natural persons (i.e. legal entities including sole proprietorships and partnerships) that are not collateralised by legal rights to specifically designated assets owned by the bank in the case of bankruptcy, insolvency, liquidation or resolution.

Objectives

5. The objectives of this Directive are to:

- a) promote short-term resilience of the liquidity risk profiles of banks by ensuring that they maintain an adequate stock of unencumbered HQLA sufficient to survive a significant stress scenario lasting for 30 calendar days;
- b) ensure that banks deploy appropriate tools to monitor their liquidity positions on a regular basis, given the uncertainty around the timing of outflows and inflows;
- c) define the minimum requirements for the LCR for banks; and
- d) improve the ability of banks to absorb shocks arising from financial and economic stress, thus reducing the risk of spill-over to the real economy.

Transitional Arrangements and Implementation Date

- 6. This Directive shall take effect from **1st September 2027**.
- 7. Banks are required to align their internal policies, processes, and systems with the requirements of this Directive by **31st August 2027**.
- 8. Banks shall pilot the provisions of this Directive for a period of one (1) year following its publication and submit quarterly reports to the BOG in the prescribed templates in Appendix I.
- 9. At the end of the pilot period, banks shall submit monthly reports to the BOG.

PART II– DEFINITION OF THE LIQUIDITY COVERAGE RATIO (LCR)

10. The LCR is defined as a ratio, expressed as a percentage of a bank's stock of HQLA to its total net cash outflows over the next 30 calendar days. It has two components, namely:

- a) value of the stock of HQLA under stressed conditions; and
- b) total net cash outflows, calculated according to the scenario parameters outlined **in paragraph 14** below.

11. The LCR shall be calculated as follows:

$$LCR = \left(\frac{\text{Stock of unencumbered HQLA}}{\text{Total net cash outflows over the next 30 calendar days}} \times 100 \right) \geq 100\%$$

12. At a minimum, the stock of unencumbered HQLA shall enable the bank to survive until day 30 of the stress scenario, by which time it is assumed that appropriate corrective actions can be taken by the bank and/or the BOG, or that the bank can be resolved in an orderly manner or other resolution actions can be taken.

13. While the LCR is expected to be met and reported on a single-currency basis, banks with significant foreign-currency liabilities shall calculate and report the LCR by significant currency as determined by the BOG. The BOG expects banks to be able to meet their liquidity needs in each significant currency and to maintain HQLA in each currency consistent with the distribution of their net cash outflows by currency.

14. The scenario parameters for the LCR entail a combined idiosyncratic and market-wide shock that would result in:

- a) the run-off of a proportion of retail deposits;
- b) a partial loss of unsecured wholesale funding capacity;
- c) a partial loss of secured, short-term financing with certain collateral and counterparties;
- d) increases in market volatility that impact the quality of collateral or the potential future exposure of derivative positions, thereby necessitating larger collateral haircuts, additional collateral, or other liquidity needs;
- e) additional contractual outflows that would arise from a downgrade in the bank's public credit rating by up to and including three notches, including

collateral posting requirements;

- f) unscheduled draws on committed but unused credit and liquidity facilities that the bank has provided to its clients; and
- g) the potential need for the bank to buy back debt or honour non-contractual obligations in the interest of mitigating reputational risk.

15. Banks shall view the above stress parameters as a minimum supervisory requirement. Banks are required to conduct their own stress tests to determine the additional liquidity they would need to hold above this baseline and to design scenarios that reflect potential stresses specific to their business models. Such internal stress tests shall incorporate longer time horizons and more severe scenarios than those prescribed in this Directive.

Stock of HQLA

16. Under the LCR, banks shall hold a stock of unencumbered HQLA to cover their total net cash outflows over a 30-day period under the prescribed stress scenarios.

17. To qualify as HQLA, assets shall be liquid in markets during a time of stress and, in most cases, be eligible for use in central bank operations. Certain types of assets within HQLA are subject to a range of haircuts as specified by the regulatory framework. It should be noted, however, that central bank eligibility does not by itself constitute the basis for the categorisation of an asset as HQLA.

18. The BOG shall assess the eligibility of assets for inclusion in the stock of HQLA on the basis of the fundamental and market-related characteristics set out in **paragraphs 20-21** below, as well as the capacity of such assets to fulfil certain operational requirements described in **paragraphs 22-25** below.

Characteristics of HQLA

19. Assets qualify as HQLA if they can be easily and immediately converted into cash at little or no loss of value. Such assets shall be unencumbered, i.e., free from legal, regulatory, or operational impediments. The liquidity of an asset depends on the underlying stress scenario, the volume to be monetised and the timeframe considered.

20. The fundamental characteristics that influence whether an asset can be relied upon to raise liquidity when considered in the context of possible stresses include:

- a) **Low risk:** Assets that are less risky tend to exhibit higher liquidity.
- b) **Ease and certainty of valuation:** An asset's liquidity increases when market participants are more likely to agree on its valuation. The pricing formula of a high-quality liquid asset must be easy to calculate and not depend on complex assumptions. The inputs into the pricing formula must also be publicly available.
- c) **Low correlation with risky assets:** The stock of HQLA shall not be subject to significant wrong-way (highly correlated) risk. Assets issued by banks, for instance, are more likely to be illiquid in times of liquidity stress in the banking sector.
- d) **Listed on a developed and recognised exchange:** Being listed increases an asset's transparency and market accessibility.

21. Market-related characteristics include:

- a) **Active and sizable market:** The asset shall have active outright sale or repo markets at all times. This implies there should be:
 - i. historical evidence of market breadth and market depth. This could be demonstrated by low bid-ask spreads, high trading volumes, and a large and diverse number of market participants to reduce market concentration and increase the reliability of the liquidity in the market; and
 - ii. robust market infrastructure in place, where the presence of multiple committed market makers increases liquidity, as quotes will most likely be available for buying or selling HQLA.
- b) **Low volatility:** An asset whose prices remain relatively stable and are less prone to sharp declines over time will have a lower probability of triggering forced sales to meet liquidity requirements. There should be historical evidence of relative stability of market terms (such as prices and haircuts) and volumes during stressed periods.
- c) **Flight to quality:** Historically, during periods of systemic stress, markets tend to shift toward high-quality, low-risk assets as investors seek safety. This behaviour supports the asset's reliability as a source of liquidity under stress.

Operational requirements

22. The operational requirements are aimed at ensuring that a bank manages its stock of HQLA in a manner that allows it to demonstrate the ability to access and deploy these assets immediately as a source of contingent funding. This means that banks must be able to convert assets into cash without delay, either through outright sale or by using them in repo transactions.
23. The purpose of the operational requirements is to fill funding gaps between cash inflows and outflows at any time during the 30-day stress period, with no restriction on the use of the liquidity generated.
24. All assets in the stock of HQLA shall be managed by the bank as part of a clearly identified liquidity buffer pool and shall be treated as HQLA only where the following operational requirements are met¹:
 - a) A bank shall periodically convert a representative portion of its HQLA into cash, either through repo transactions or outright sales.² This is to test its access to the market, effectiveness of the processes for monetisation, availability of the assets, and to minimise the risk of sending negative signals during an actual period of stress;
 - b) All assets in the stock shall be unencumbered. An asset in the stock shall not be pledged (either explicitly or implicitly) to secure, collateralise or credit-enhance any transaction, nor be earmarked to cover operating expenses (such as rents and salaries);
 - c) Assets obtained through reverse repo or other securities-financing transactions may be included in the stock of HQLA, provided they are held by the bank, have not been rehypothecated, and are legally and contractually available for the bank's use;

¹ Not all assets that meet asset-class, risk-weighting or credit-rating criteria are necessarily eligible, as operational restrictions may prevent timely monetisation during stress.

² The extent, subject and frequency of HQLA monetisation necessary to comply with paragraph 24(a) should be assessed on a case-by-case basis. Banks are required to incorporate the intent of paragraph 24(a) in their management of liquid assets and be able to demonstrate to BOG an approach which is appropriate rather than ex ante stipulations. Banks need not monetise HQLA specifically for test purposes; this requirement can be met through transactions in the course of the bank's normal business.

- d) In addition, assets which qualify as HQLA and have been pre-positioned or deposited with or pledged to the BOG but have not been used to generate liquidity may be included in the stock³;
- e) The bank has operational capacity to convert its assets into cash to meet liquidity outflows during a stress period. This requires having appropriate procedures and systems in place, including ensuring the function charged with managing liquidity has access to all necessary information needed to monetise any asset at any time;
- f) Monetisation of the asset must be operationally feasible within the standard settlement period applicable to that asset class in the relevant jurisdiction;
- g) The stock shall be under the control of the function charged with managing the liquidity of the bank, and the function shall have continuous authority, as well as legal and operational capability, to monetise any asset in the stock;
- h) The bank shall have a policy in place that identifies legal entities, geographical locations, currencies and specific custodial or bank accounts where its HQLA are held; and
- i) In addition, the bank shall assess whether any of these assets should be excluded for operational reasons, ensuring it can determine the composition of its HQLA stock on a daily basis.

25. The function charged with managing liquidity shall also demonstrate effective control over these assets by either:

- a) keeping them in a dedicated pool managed solely for use as a source of contingent funds; or
- b) demonstrating that it can monetise the assets at any point within the 30-day stress period and that the proceeds remain available throughout the 30-day stress period, without directly conflicting with a stated business or risk management strategy.

³ If a bank has deposited, pre-positioned or pledged Level 1, Level 2 and other assets in a collateral pool and no specific securities are assigned as collateral for any transactions, it may assume that assets are encumbered in order of increasing liquidity value in the LCR, i.e. assets ineligible for the stock of HQLA are assigned first, followed by Level 2B assets, then Level 2A and finally Level 1.

26. Where applicable, assets held in legal entities without market access shall only be included to the extent that they can be freely transferred to other entities capable of monetising the assets⁴.

27. A bank shall exclude from the stock of HQLA:

- a) Those assets that, although they meet the definition of “unencumbered”, the bank does not have the operational capacity to monetise them to meet outflows during a stress period⁵;
- b) Those assets where there are impediments to sale, such as the likelihood of significant fire-sale discounts, which would cause the bank to breach minimum solvency requirements.
- c) Any assets, or liquidity generated from assets, they have received under right of rehypothecation, if the beneficial owner has the contractual right to withdraw those assets during the 30-day stress period.

28. If an eligible liquid asset becomes ineligible (e.g. due to a downgrade), banks shall be permitted to keep the asset in their stock of liquid assets for an additional 30 days in order to have sufficient time to adjust their stock as needed or replace the asset.

Diversification of the stock of HQLA

29. The stock of HQLA shall be well diversified within the asset classes (except for cash, Government of Ghana securities, BOG reserves⁶ and BOG securities).

30. Banks shall have policies and limits to manage concentration risk across asset types, issue and issuer types, and currency (consistent with the distribution of net cash outflows by currency). Banks may be required to demonstrate, with appropriate evidence, that sovereign securities included in HQLA are

⁴ In assessing whether assets are freely transferable for regulatory purposes, banks should be aware that assets may not be freely available to the consolidated entity due to regulatory, legal, tax, accounting or other impediments.

⁵ Operational capacity to monetise assets requires having procedures and appropriate systems in place. This includes providing the function charged with managing the liquidity of the bank with access to all necessary information and the authority to invoke the plan at any time.

⁶ In this context, BOG reserves include banks' overnight deposits with BOG, and term deposits, that: (i) are explicitly and contractually repayable on notice from the depositing bank; or (ii) that constitute a loan against which the bank can borrow on a term basis or on an overnight but automatically renewable basis (only where the bank has an existing deposit with BOG).

marketable and can be monetised at scale within the applicable settlement period without undue price impact.

31. Where domestic sovereign debt has been restructured, or it is subject to payment suspension, or shows materially impaired market liquidity, the BOG may apply additional haircut, eligibility restrictions, concentration limits, or enhanced reporting requirements to ensure HQLA remains readily monetisable under stress.

Composition of HQLA

32. The stock of HQLA shall comprise assets with the characteristics outlined in **Paragraphs 20 to 21** above.

33. There are two categories of assets (Level 1 and Level 2) which can be included in the stock of HQLA. Assets to be included in each category are those the bank holds on the first day of the stress period, irrespective of their residual maturity.

34. Level 1 assets can be included without limit (that is, up to 100%) while Level 2 assets can only comprise up to 40% of the stock of HQLA.

35. Level 2 assets are sub-divided into Level 2A and Level 2B assets on the basis of their credit quality, price volatility and marketability.

36. Level 2B assets shall comprise no more than 15% of the total stock of HQLA and shall be included within the overall 40% cap on Level 2 assets.

37. The 40% cap on Level 2 assets and the 15% cap on Level 2B assets shall be determined after the application of required haircuts, and after taking into account the unwinding of short-term securities financing transactions and collateral swap transactions maturing within 30 calendar days that involve the exchange of HQLA⁷.

(i) Level 1 assets

38. Level 1 assets of banks shall comprise the following, and such assets can be included in the stock of liquid assets without any limit and without the application of any haircut:

⁷ In this context, short-term transactions are transactions within a maturity date up to and including 30 calendar days.

- a) Cash (coins and banknotes);
- b) Balances with the BOG that they are in excess of required Cash Reserve Requirements (CRR);
- c) Marketable securities issued or guaranteed by Government of Ghana (GoG) and BOG⁸; and
- d) Marketable securities issued or guaranteed by Public Sector Entities (PSEs), foreign sovereigns⁹, central banks, or Multilateral Development Banks (MDBs), and satisfying all the following conditions:
 - i. Are assigned a 0% risk weight per the standardised credit risk weighting under the BOG Capital Requirement Directive (CRD);
 - ii. Are traded in large, deep and active repo or cash markets characterised by a low level of concentration;
 - iii. Have a proven record as a reliable source of liquidity in the markets (repo or sale) even during stressed market conditions; and
 - iv. Are not an obligation of a bank, SDI, any other financial institution or its affiliates.

(ii) Level 2 assets

39. Level 2 assets (comprising Level 2A assets and Level 2B assets) may be included in the stock of HQLA, subject to the requirement that they shall comprise no more than 40% of the overall stock of HQLA after haircuts have been applied.

40. The portfolio of Level 2 assets held by the bank shall be well diversified in terms of asset type, issuer type, and individual counterparty or issuer exposure.

⁸ For purpose of calculating the LCR, Level 1 assets in the stock of HQLA should be measured at an amount no greater than their current market value.

⁹ These securities will include only marketable securities which attract a 0% risk-weight as required in the BOG's CRD. In cases where a foreign sovereign has been assigned a non-0% risk weight as per rating by an international rating agency, but a 0% risk-weight has been assigned at national discretion under Basel II Standardised Approach for credit risk, marketable securities issued or guaranteed by that foreign sovereign within its domestic jurisdiction will be allowed to the extent those securities cover a bank's stressed net cash outflows in that specific foreign currency stemming from the bank's operations in the jurisdiction where the bank's liquidity risk is being taken.

Level 2A Assets

41. A minimum haircut of 15% shall be applied to the current market value of each Level 2A asset held in the stock of HQLA. Level 2A assets are limited to the following:

- a) Marketable securities representing claims on or claims guaranteed by sovereigns, central banks, Public Sector Entities (PSEs) or Multilateral Development Banks (MDBs) that satisfy all of the following conditions:
 - i. Are assigned a 20% risk weight per the standardised credit risk weighting under the CRD;
 - ii. Are traded in large, deep and active repo or cash markets characterised by a low level of concentration;
 - iii. Have a proven record as a reliable source of liquidity in the markets (repo or sale) even during stressed market conditions (i.e. maximum price decline not exceeding 10% or an increase in haircut not exceeding 10 percentage points over a 30-day period during a relevant period of significant liquidity stress); and
 - iv. Are not an obligation of a bank, SDI, any other financial institution or its affiliates.
- b) Corporate debt securities (including commercial paper) and covered bonds¹⁰ that satisfy all of the following conditions:
 - i. In the case of corporate debt securities; not issued by a bank, SDI, any other financial institution, or its affiliates;
 - ii. In the case of covered bonds; not issued by the bank itself or any of its affiliated entities;
 - iii. Have a long-term credit rating from a recognised External Credit Assessment Institution (ECAI) of at least AA-, or, in the absence of a long-term rating, a short-term rating of equivalent credit quality;
 - iv. Are traded in large, deep and active repo or cash markets characterised by a low level of concentration; and
 - v. Have a proven record as a reliable source of liquidity in the markets (repo or sale) even during stressed market conditions: (i.e. maximum

¹⁰ Covered bonds are bonds issued and owned by a bank or mortgage institution and are subject by law to special public supervision designed to protect bond holders. Proceeds deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of the validity of the bonds, are capable of covering claims attached to the bonds and which, in the event of the failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

price decline or increase in haircut not exceeding 10% over a 30-day period during a period of significant liquidity stress).

Level 2B Assets

42. Level 2B assets shall comprise no more than 15% of the total stock of HQLA and shall be included within the overall 40% cap applicable to Level 2 assets.

43. Level 2B assets are limited to the following:

- a) Residential mortgage-backed securities (RMBS), subject to a 25% haircut, that satisfy all of the following conditions:
 - i. Not issued by, and the underlying assets have not been originated by, the bank itself or any of its affiliated entities;
 - ii. Have a long-term credit rating from a recognised ECAI of AA or higher, or in the absence of a long-term rating, a short-term rating equivalent in quality to the long-term rating;
 - iii. Traded in large, deep and active repo or cash markets characterised by a low level of concentration;
 - iv. Have a proven record as a reliable source of liquidity in the markets (repo or sale) even during stressed market conditions, i.e. a maximum decline in price not exceeding 20% or an increase in haircut over a 30-day period not exceeding 20 percentage points during a relevant period of significant liquidity stress;
 - v. The underlying asset pool is restricted to residential mortgages and cannot contain structured products;
 - vi. The underlying mortgages are “full recourse” loans (i.e. in the case of foreclosure the mortgage owner remains liable for any shortfall in sales proceeds from the property) and have a maximum loan-to-value ratio (LTV) of 80% on average at issuance; and
 - vii. The securitisations are subject to “risk retention” regulations which require issuers to retain an interest in the assets they securitise.
- b) Corporate debt securities (including commercial paper), subject to a 50% haircut, that satisfy all of the following conditions:
 - i. Are not issued by a bank, SDI, any other financial institution or its affiliates;

- ii. Have a long-term credit rating from a recognised ECAI between A+ and BBB- or, in the absence of a long-term rating, a short-term rating equivalent in credit quality to the long-term rating;
 - iii. Are traded in large, deep and active repo or cash markets characterised by a low level of concentration; and
 - iv. Have a proven record as a reliable source of liquidity in the markets (repo or sale) even under stressed market conditions, i.e. a maximum decline in price not exceeding 20% or an increase in haircut over a 30-day period not exceeding 20 percentage points during a relevant period of significant liquidity stress.
- c) Common Equity Shares, subject to a 50% haircut, that satisfy all of the following conditions:
- i. Are not issued by a bank, SDI, any other financial institution, or its affiliates;
 - ii. Traded on the Ghana Stock Exchange (GSE);
 - iii. Are included in the Ghana Stock Exchange (GSE) composite index;
 - iv. Are traded in large, deep and active repo or cash markets characterised by a low level of concentration; and
 - v. Have a proven record as a reliable source of liquidity in the markets (repo or sale) even during stressed market conditions, i.e. a maximum share-price decline not exceeding 40% or increase in haircut not exceeding 40 percentage points over a 30-day period during a period of significant liquidity.

44. Banks are required to establish robust systems and measures to monitor and control the potential risks (such as credit and market risks) that they could be exposed to in holding these assets.

Computation of HQLA

45. The formula for the calculation of the stock of HQLA is as follows¹¹:

¹¹ For the purpose of HQLA computation, Levels 1, 2A, 2B, which are post haircuts (where applicable), have the same values as Adjusted Levels 1, 2A and 2B

Stock of HQLA = Level 1 + Level 2A + Level 2B – Adjustment for 15% cap – Adjustment for 40% cap

Where:

Adjustment for the 15% cap = Max [{Adjusted Level 2B – 15/85 x (Adjusted Level 1 + Adjusted Level 2A)}, {Adjusted Level 2B – 15/60 x Adjusted Level 1}, 0]

Adjustment for 40% cap = Max {(Adjusted Level 2A + Adjusted Level 2B – Adjustment for 15% cap – 2/3 x Adjusted Level 1 assets), 0}

46. Calculation of the stock of HQLA requires the computation of adjusted Level 1 and Level 2 assets. As stated above, Level 2 assets cannot exceed 40% of the overall stock of HQLA after haircuts have been applied, and Level 2B assets cannot exceed 15% of the total stock of HQLA after haircuts have been applied.

Total net cash outflows

47. The total net cash outflow, which forms the denominator of the LCR, is defined as the difference between total expected cash outflows and total expected cash inflows under the specified 30-calendar-day stress scenario.
48. Total expected cash outflows are calculated by multiplying the outstanding balances of various categories and types of liabilities and off-balance sheet commitments by the rates at which they are expected to run off or be drawn down.
49. Total expected cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in, subject to an aggregate cap of 75% of total expected cash outflows.

Total net cash outflows over the next 30 calendar days = Total expected cash outflows – Min {total expected cash inflows; 75% of total expected cash outflows}

50. The various items of assets (cash inflow) and liabilities (cash outflow) along with their respective inflow rates and run-off rates are specified in the LCR return set out in **Appendix II**.
51. Banks shall not be permitted to double count items in the calculation of the LCR. Accordingly, if an asset is included in the stock of HQLA (the numerator), the associated cash inflows shall not also be counted as cash inflows (i.e. as part of the denominator).
52. Where there is the potential that an item could be counted in multiple outflow categories (such as committed liquidity facilities granted to cover debt maturing within the 30-calendar-day period), a bank shall assume outflows only up to the product's maximum contractual amount.

Cash outflows

53. For deposits that are contractually pledged to a bank as collateral (lien) to secure a credit facility granted by the bank that will not mature or be settled in the next 30 days, that pledged deposit may be excluded from the LCR calculation only if the following conditions are met:
- a) the pledge arrangement is subject to a legally enforceable contract disallowing withdrawal of the deposit before the loan is fully settled or repaid; and
 - b) the amount of deposit to be excluded cannot exceed the outstanding balance of the loan (which may be the drawn portion of a credit facility).
54. The above treatment does not apply to a deposit which is pledged against an undrawn facility, in which case the higher of the outflow rate applicable to the undrawn facility or the pledged deposit applies.
55. A bank shall assign an additional run-off rate of 4% to internet and mobile banking enabled retail and Micro, Small and Medium Enterprises (MSMEs) deposits.
- (i) Retail deposit*
56. Retail deposits refer to deposits placed with a bank by a natural person. Deposits from legal entities, including sole proprietorships and partnerships shall be classified under wholesale deposits. For LCR purposes, retail deposits

include both demand deposits and term deposits, unless otherwise excluded under the criteria set out in **Paragraphs 57 and 58** below.

57. These retail deposits are divided into “stable” and “less stable” portions.

A) Stable deposits (run-off rate = 5%)

58. Stable deposits are the portion of retail deposits that are fully insured by Ghana Deposit Protection Corporation (GDPC), as established under Act 931, and where at least one of the following conditions is met:

- a) The depositors have other established relationships with the bank, making withdrawal of deposits highly unlikely¹²; or
- b) The deposits are in transactional accounts, such as salary accounts¹³.

59. An “established relationship” shall refer to any banking relationship, other than deposit and credit card relationships, whereby:

- a) the relationship has existed for at least 12 months; or
- b) the depositor is contractually bound to the relationship with the bank for at least the next 12 months.

60. Deposit balances up to the applicable deposit insurance limit may be treated as “fully insured” even when a depositor's total balance exceeds the insurance limit. Any portion exceeding the insurance limit shall be classified as “less stable”.

B) Less stable deposits (run-off rate = 10%)

61. A bank shall classify retail deposits which do not meet the criteria set in **Paragraph 58** as less stable deposits and shall apply a run-off rate of 10% to such deposits. These retail deposits shall include, but are not limited to, deposits that are not fully covered by GDPC¹⁴, deposits from sophisticated or high-net-worth individuals, deposits that can be withdrawn quickly (such as internet-based deposits) and foreign currency-denominated deposits.

¹² Deposits with multiple ties with the bank (such as loans, mortgages, investment account or long-standing business arrangement)

¹³ Accounts used for everyday activities such as salary credits, bill payments or business transactions.

¹⁴ This includes deposits in excess of GDPC insurance coverage.

62. Where a bank is unable to readily identify whether a retail deposit qualifies as 'stable' as set out in **Paragraph 58**, it shall classify the entire amount as 'less stable'.

Retail term deposit

63. Cash outflows related to retail term deposits with a residual maturity or withdrawal notice period exceeding 30 days shall be excluded from total expected cash outflows provided that:

- a) the depositor has no legal right to withdraw deposits within the LCR's 30-day horizon; or
- b) early withdrawal results in a significant penalty that is materially higher than the loss of accrued interest.

64. If a bank allows a depositor to withdraw such deposits without applying the corresponding penalty, or permits withdrawal despite a contractual restriction, the entire category of such funds shall be treated as demand deposits accordingly, regardless of the remaining maturity. These deposits shall be subject to the applicable deposit run-off rate as specified in this Directive.

(ii) Unsecured wholesale funding

65. For the purposes of the LCR, "unsecured wholesale funding" refers to those liabilities and general obligations obtained from non-natural persons (i.e. legal entities, including sole proprietorships and partnerships) that are not collateralised by legal rights to specifically designated assets owned by the bank in the case of bankruptcy, insolvency, liquidation or resolution.

66. For LCR purposes, wholesale funding includes all funding that can be withdrawn, or that matures within 30 days, such as maturing term deposits and unsecured debt securities. It also includes any funding without a stated maturity, and any instrument where the investor has the option to withdraw or demand repayment within the 30-day period.

67. Wholesale funding, callable¹⁵ by the fund provider, i.e., funding that is subject to a contractually defined and binding notice period exceeding the 30-day horizon, shall be excluded from LCR outflow.

¹⁵ This takes into account any embedded options linked to the funds provider's ability to call the funding before contractual maturity.

68. Unsecured wholesale funding is to be categorised as detailed below, based on the assumed sensitivity of the funds providers to the interest rate offered and the credit quality and solvency of the borrowing bank.

A) Unsecured wholesale funding provided by Micro, Small and Medium Enterprises (MSMEs): run-off rate = 5%, 10% and higher

69. This category consists of deposits and other extensions of funds made by MSMEs. MSMEs are defined in accordance with the regulation on classification of MSME by the Ghana Enterprise Agency (GEA).

70. Unsecured wholesale funding provided by MSMEs shall be treated in the same manner as retail deposits. Such funding shall be classified into a "stable" portion of funding provided by MSMEs and a "less stable" portion of funding as defined in this Directive. The same bucket definitions and associated run-off factors that apply to retail deposits shall likewise apply to these deposits.

71. Term deposits from MSMEs shall be treated in accordance with the treatment for retail term deposits as outlined in **Paragraphs 63 and 64.**

B) Operational deposits generated by clearing, custody and cash management activities (run-off rate = 25%)

72. Deposits received from financial and non-financial customers for the purpose of payment and settlement transactions shall receive a 25% run-off factor only if the customer has a significant dependency on the bank and the deposit is essential for performing such activities. A 5% run-off rate shall apply to the portion of operational deposits that is fully covered by the GDPC.

73. Banks shall demonstrate to BOG that they are actually conducting these operational activities at the level indicated, when utilising this treatment. BOG may choose not to permit banks to utilise the operational deposit run-off rates in cases where, for instance, a significant portion of operational deposits are provided by a small proportion of customers (i.e. concentration risk).

74. In this Directive, qualifying activities refer to clearing, custody or cash management activities that meet the following criteria:

- a) The customer relies on the bank to perform these services as an independent third-party intermediary in order to conduct its normal banking activities over the next 30 days¹⁶;
- b) These services shall be offered to institutional customers under a legally binding agreement;
- c) The termination of such agreements shall be subject either to a notice period of at least 30 days or significant switching costs (such as those related to transaction, information technology, early termination or legal costs) to be borne by the customer if the operational deposits are moved before 30 days.

75. Qualifying operational deposits arising from such activities are those where:

- a) the deposits are by-products of the underlying services provided by the bank, rather than being sourced from the wholesale market solely to generate interest income; and
- b) the deposits are maintained in specifically designated accounts and priced in a way that does not give the customer any economic incentive (including but not limited to paying market interest rates) to leave any excess funds in these accounts.

76. Any portion of the balance that can be withdrawn while still leaving sufficient funds to perform the required clearing, custody, or cash management activities does not qualify for the 25% run-off factor¹⁷. Such excess balances shall be classified under the appropriate non-operational deposit category. If the bank is unable to determine the size of the excess balance, then the entire deposit must be treated as excess and, therefore, considered non-operational.

77. Banks shall determine the methodology for identifying excess deposits that are excluded from this treatment. The assessment shall be conducted at a sufficiently granular level to adequately assess the likelihood of withdrawal in an idiosyncratic stress scenario. The methodology shall be documented, applied consistently, and reviewed periodically.

78. The methodology should take into account relevant factors such as the likelihood that wholesale customers have above average balances in advance of specific payment needs and consider appropriate indicators

¹⁶ This condition would not be met if the bank is aware that the customer has adequate back-up arrangements.

¹⁷ That is, only that part of the deposit balance with the service provider that is proven to serve a customer's operational needs can qualify as stable.

(including ratios of account balances to payment or settlement volumes or to assets under custody) to identify those customers that are not actively managing account balances efficiently.

79. Operational deposits shall be assigned a **0% inflow rate** for the depositing financial institutions, given that these deposits are required for operational purposes and hence cannot be used by the depositing financial institution to meet other outflow obligations. For clarity: this applies to the financial institution placing the deposit (as a customer of another institution), not the bank receiving the deposit.
80. Notwithstanding these operational categories, if the deposit under consideration arises out of correspondent banking or from the provision of prime brokerage services¹⁸, it shall be treated as if there were no operational activity for the purpose of determining run-off factors.
81. A bank shall assess whether clearing, custody and cash management relationships as defined in this Directive do indeed generate an operational deposit as not all such activities qualify due to differences in customer dependency, activity and practices.
82. The portion of the operational deposits generated by clearing, custody and cash management activities that is fully covered by GDPC may receive the same treatment as “stable” retail deposits.

C) Unsecured wholesale funding provided by non-financial corporates and sovereigns, central banks, multilateral development banks (MDBs), and PSEs (Run-off rate = 20% or 40%)

83. This category includes all deposits and other forms of unsecured funding received from non-financial corporates customers who are not classified as MSMEs, as well as from domestic and foreign sovereigns, central banks, MDBs, and PSEs, provided these funds are non-operational (i.e., not specifically maintained to support qualifying operational activities as defined in this Directive). **The run-off factor for these funds is 40%.**

D) Unsecured wholesale funding provided by other legal entity customers (run-off rate = 100%)

¹⁸ Prime brokerage is a package of services offered to large active investors, particularly institutional hedge funds. These services usually include: clearing, settlement and custody; consolidated reporting; financing (margin, repo or synthetic); securities lending; capital introduction; and risk analytics.

84. For the purpose of this Directive, this category consists of all deposits and other funding from other institutions (including banks, securities firms and insurance companies), fiduciaries, beneficiaries, conduits and special purpose vehicles, affiliated entities of the bank¹⁹ and other entities that are not specifically held for operational purposes and not included in the prior three categories. **The run-off factor for these funds is 100%.**

85. All notes, bonds and other debt securities issued by the bank are included in this category regardless of the holder, unless the bond is sold exclusively in the retail market and held in retail accounts (including MSME accounts treated as retail per **Paragraphs 69 and 70**), in which case the instruments can be treated in the appropriate retail or MSME deposit category²⁰.

(iii) Secured funding

86. Collateral swaps shall be treated in the same manner as repurchase agreements and reverse-repurchase agreements, as well as any other transactions with a similar structure. Additionally, any collateral provided to customers to facilitate short positions shall be treated as secured funding.

87. A bank shall apply the relevant factors to all outstanding secured funding transactions maturing within the 30-calendar-day horizon, including customer short positions that lack a specific contractual maturity.

88. Maturing secured funding transactions backed by Level 2 assets must reflect a reduction in funding availability, based on the regulatory haircuts applied to those assets. The applicable outflow factor shall be determined by the classification of the collateral (Level 1, Level 2A, Level 2B) as summarized in Table 1 below.

89. A 25% factor is applied for maturing secured funding transactions with the Government of Ghana, MDBs, or PSEs that carry a risk weight of 20% or lower, provided these transactions are backed by assets other than Level 1 or Level 2A assets. This treatment applies only to secured funding that is currently outstanding and does not extend to unused collateral or undrawn borrowing capacity.

¹⁹ Outflows on unsecured wholesale funding from affiliated entities of the bank are included in this category unless the funding is part of an operational relationship, a deposit in an institutional network of cooperative banks or the affiliated entity of a non-financial corporate.

²⁰ To be treated in this manner, it is not sufficient that the debt instruments are specifically designed and marketed to retail or MSMEs. Rather there should be limitations placed such that those instruments cannot be bought and held by parties other than retail or MSMEs.

90. For all other maturing transactions, the run-off factor is 100%, including transactions where a bank has satisfied customers' short positions with its own long inventory. Table 1 below summarises the applicable standards:

Table 1: Amount to add to cash outflows for outstanding maturing secured funding transactions

Categories for outstanding maturing secured funding transactions	Amount to add to cash outflows
Backed by BOG or Level 1 assets	0%
Backed by Level 2A assets.	15%
Secured funding transactions with domestic sovereign, PSEs, or multilateral development banks that are not backed by Level 1 or 2A assets. PSEs that receive this treatment are limited to those that have a risk weight of 20% or lower.	25%
Secured funding transactions backed by eligible RMBS (Level 2B).	25%
Backed by other Level 2B assets	50%
All others	100%

(iv) Additional requirements

91. **Derivative cash outflows:** the sum of all net cash derivative outflows shall be assigned a 100% factor. Banks shall calculate the expected contractual derivative cash inflows and outflows using their existing valuation methodologies. Cash flows may be calculated on a net basis (i.e., inflows can offset outflows) only when a valid master netting agreement is in place for the counterparty. In performing these calculations, banks shall exclude any liquidity requirements that could arise from increased collateral requirements due to market value movements or declines in the value of collateral posted. Options should be assumed to be exercised when they are 'in the money' to the option buyer.

92. Where derivative payments are collateralised with HQLA, the related cash outflows shall be calculated after deducting any corresponding cash or collateral inflows that would arise, all other things being equal, from contractual obligations requiring the counterparty to provide cash or collateral, provided the bank is legally entitled and operationally capable to re-use that collateral in new funding transactions once received. This aligns with the principle that banks should not double-count liquidity inflows and outflows.

93. **Increased liquidity needs related to downgrade triggers embedded in financing transactions, derivatives and other contracts:** A bank shall include 100% of any additional collateral or cash it would be required to post, as well as any contractual cash outflows that would be triggered, if its long-term credit rating were downgraded by up to three notches. Often “downgrade triggers” are embedded in derivatives, financing arrangements, and other contractual agreements.
94. For triggers linked to a bank’s short-term rating, it shall be assumed that they will be triggered at the corresponding long-term rating in accordance with published ratings criteria. The bank shall assess the impact of its downgrade on all types of margin collateral requirements and contractual triggers that may change rehypothecation rights for non-segregated collateral.
95. **Increased liquidity needs related to the potential for valuation changes on posted collateral securing derivative and other transactions:** When a bank posts collateral that is non-Level 1 HQLA to cover potential valuation changes on collateral pledged against the mark-to-market value of derivative positions or other transactions, it shall treat 20% of the value of such posted non-level 1 collateral (after applying applicable haircuts) as an expected cash outflow.
96. This calculation shall be made after applying the appropriate regulatory haircuts and after netting any collateral received, provided that such collateral received may be reused or rehypothecated²¹.
97. **Increased liquidity needs related to excess non-segregated collateral held by the bank that could contractually be called at any time by the counterparty:** Where a bank holds non-segregated collateral that exceeds the counterparty’s current collateral requirements and the counterparty can contractually recall this collateral at any time, the bank shall include 100% of the excess amount in its calculation of total expected cash outflows.
98. **Increased liquidity needs related to contractually required collateral on transactions for which the counterparty has not yet demanded the collateral to be posted:** A bank shall include 100% of the value of any collateral which is contractually due to a counterparty, but where the counterparty has not yet demanded the posting of such collateral in the calculation of the total expected cash outflows.
99. **Increased liquidity needs related to contracts that allow collateral substitution to non-HQLA assets:** Where a bank has entered into a contract which allows

²¹ Netting for this purpose shall be on a counterparty basis only; no other form of netting (such as across counterparties) is permissible for this outflow amount

non-segregated HQLA collateral received to be substituted for non-HQLA assets without the bank's consent, the bank shall include 100% of the amount of HQLA collateral that can be substituted for non-HQLA assets in the calculation of total expected cash outflows²².

100. **Increased liquidity needs related to market valuation changes on derivatives or other transactions:** Where a bank has entered into collateralisation arrangements to secure against mark-to-market exposures on derivatives and other exposures, it shall include any outflows arising from market valuation changes in its expected cash calculations. Inflows and outflows of transactions executed under the same master netting agreement can be treated on a net basis. This is done by identifying the largest absolute net 30-day collateral flow realised during the preceding 24 months, based on both realised collateral outflows and inflows.
101. **Loss of funding on asset-backed securities²³, covered bonds and other structured financing instruments:** The scenario assumes the outflow of 100% of the funding transaction maturing within the 30-day period, when these instruments are issued by the bank itself (as this assumes that the re-financing market will not exist).
102. **Loss of funding on asset-backed commercial paper, conduits, securities investment vehicles and other such financing facilities:** (100% of maturing amount and 100% of returnable assets). Banks having structured financing facilities that include the issuance of short-term debt instruments, such as asset-backed commercial paper, should fully consider the potential liquidity risk arising from these structures. These risks include, but are not limited to, (i) the inability to refinance maturing debt, and (ii) the existence of derivatives or derivative-like components contractually written into the documentation associated with the structure that would allow the "return" of assets in a financing arrangement, or that require the original asset transferor to provide liquidity, effectively ending the financing arrangement ("liquidity puts") within the 30-day period. Where the structured financing activities of a bank are conducted through a special purpose entity (such as a special purpose vehicle, conduit or structured investment vehicle - SIV), the bank should, in determining the HQLA requirements, look through to the maturity of the debt instruments issued by the entity and any embedded options in financing

²² Where substitution could be into HQLA of lower liquidity value, the outflow shall be measured as the difference between the applicable LCR haircuts, assuming the lowest liquidity value collateral where multiple substitutes are possible.

²³ To the extent that sponsored conduits/SPVs are required to be consolidated under liquidity requirements, their assets and liabilities will be taken into account. Banks should consider other possible sources of liquidity risk beyond that arising from debt maturing within 30 days.

arrangements that may potentially trigger the “return” of assets or the need for liquidity, irrespective of whether or not the SPE is consolidated.

Table 2: Required HQLA for selected risk elements.

Potential Risk Element	HQLA Required
Debt maturing within the calculation period	100% of maturing amount
Embedded options in financing arrangements that allow for the return of assets or potential liquidity support	100% of the amount of assets that could potentially be returned, or the liquidity required

103. **Drawdowns on committed credit and liquidity facilities:** For purposes of this Directive, all facilities that are assumed to be drawn (as outlined in paragraphs below) will remain outstanding at the amounts assigned throughout the 30-day stress period, regardless of maturity.
104. For the purpose of this Directive, the amount of the commitment to be treated as a liquidity facility is the amount of the currently outstanding debt issued by the customer (or proportionate share, if a syndicated facility) maturing within a 30-day period that is backstopped by the facility. The portion of a liquidity facility that is backing debt that does not mature within the 30-day window may be excluded from the scope of the definition of a liquidity facility.
105. Any facility extended to hedge funds, money market funds and special purpose funding vehicles or conduits, or other vehicles used to finance a bank's own assets, shall be fully recorded as a liquidity facility provided to other legal entities.
106. Any contractual loan drawdowns from committed facilities as well as expected drawdowns from revocable facilities within the 30-day period shall be fully reflected as outflows:
- a) **Committed credit and liquidity facilities extended to retail and MSMEs:** Banks shall assume a 5% drawdown of the undrawn portion of these facilities;
 - b) **Committed credit facilities to non-financial corporates, sovereigns and central banks, PSEs and MDBs:** Banks shall assume a 10% drawdown of the undrawn portion of these credit facilities;

- c) **Committed liquidity facilities to non-financial corporates, sovereigns and central banks, PSEs, and MDBs:** Banks shall assume a 30% drawdown of the undrawn portion of these liquidity facilities;
 - d) **Committed credit and liquidity facilities extended to banks:** Banks shall assume a 40% drawdown of the undrawn portion of these facilities;
 - e) **Committed credit facilities to other financial institutions including securities firms, insurance companies, fiduciaries, and beneficiaries:** Banks shall assume a 40% drawdown of the undrawn portion of these credit facilities.
 - f) **Committed liquidity facilities to other financial institutions including securities firms, insurance companies, fiduciaries, and beneficiaries:** Banks shall assume a 100% drawdown of the undrawn portion of these liquidity facilities.
 - g) **Committed credit and liquidity facilities to other legal entities (including Special Purpose Entities (SPEs), conduits and special purpose vehicles²⁴, and other entities not included in the prior categories):** Banks shall assume a 100% drawdown of the undrawn portion of these facilities.
107. **Contractual obligations to extend funds within a 30-day period:** Any contractual lending obligations to financial institutions not captured elsewhere in this Directive shall be captured here at a 100% outflow rate.
108. If the total of all contractual obligations to extend funds to retail and non-financial corporate clients within the next 30 calendar days (not captured in the prior categories) exceeds 50% of the total contractual inflows due in the next 30 calendar days from these clients, the difference shall be reported as a 100% outflow.
109. Lending commitments, such as direct import or export financing for non-financial corporate firms, are excluded from this treatment, and banks shall apply the draw-down rates specified in **Paragraph 106**.
110. Banks shall calculate the expected cash outflows for liquidity calls arising from non-contractual contingent funding obligations according to the following outflow rates:

²⁴ The potential liquidity risks associated with the bank's own structured financing facilities should be treated according to paragraphs 101 and 102 of this Directive (100% of maturing amount and 100% of returnable assets are included as outflows).

Table 3: Outflow rates for contingent funding obligations

Category	Outflow rate
Unconditionally revocable (uncommitted) credit and liquidity facilities	0%
Contingent funding obligations related to trade finance (e.g. documentary trade letters of credit, documentary and clean collection, import bills, export bills, and guarantees directly related to trade finance).	5% of the trade finance obligations
Non-contractual contingent funding obligations related to potential liquidity draws by consolidated joint ventures or minority investments in entities.	10% of the investment value
Guarantees and letters of credit that are unrelated to trade finance obligations.	10% of the amount of guarantees and letters of credit
Potential request for debt repurchases of the banking institution's own debt or that of related conduits, structured investment vehicles (SIV), and other such financing facilities.	10% of the total outstanding amount
Structured products where customers anticipate ready marketability, such as adjustable-rate notes and variable-rate demand notes.	10% of the total outstanding amount
Managed funds that are marketed with the objective of maintaining a stable value (such as money market mutual funds and other stable-value collective investment funds).	5% of the total outstanding amount
Outstanding debt securities with maturities greater than 30 days whereby the banking institution or its affiliate is a dealer or market maker.	10% of the total outstanding amount.
Non-contractual obligations where customers' short positions are covered by other customers' collateral, and where the collateral does not qualify as Level 1 or Level 2 assets.	50% of the collateral amount used to cover the customer's short position.

111. **Other contractual cash outflows:** A bank shall apply a 100% run-off factor to all other contractual cash outflows maturing within the next 30 calendar days, such as outflows to cover unsecured collateral borrowings, uncovered short positions, dividends or contractual interest payments. A bank shall provide a clear explanation of the components included in each bucket. Outflows related to operating expenses, however, are excluded from this requirement.

Cash inflows

112. When considering its available cash inflows, the bank shall include contractual inflows (including interest payments) from outstanding exposures that are fully performing and for which no default is expected within the 30-

day horizon. Contingent inflows shall be excluded from total expected cash inflows.

113. Banks shall monitor the concentration of expected inflows from wholesale counterparties as part of their liquidity management to ensure their liquidity position does not become overly dependent on inflows from a single counterparty or a limited number of counterparties.
114. **Cap on total inflows:** To ensure that banks do not rely solely on anticipated inflows to meet their liquidity requirements, and to maintain a minimum stock of HQLA holdings, the amount of inflows allowed to offset outflows is capped at 75% of total expected cash outflows as determined per this Directive. This requires that a bank must maintain a minimum amount of HQLA equal to 25% of its total cash outflows.
 - (i) *Secured lending, including reverse repos and securities borrowing.*
115. A bank shall assume that maturing reverse repurchase or securities borrowing agreements secured by Level 1 assets will be rolled over and will not give rise to any cash inflows (0%).
116. For maturing reverse repurchase or securities lending agreements secured by Level 2 HQLA, cash inflows shall be recognised at the applicable inflow rate (i.e., consistent with the relevant haircut) for the underlying assets, as set out in Table 4 below.
117. For maturing reverse repurchase or securities borrowing agreements secured by non-HQLA assets, the bank is assumed not to roll them over and may recognise cash inflows equal to 100% of the associated cash amount.
118. Collateralised loans extended to customers for the purpose of taking leveraged trading positions ("margin loans") shall be considered as a form of secured lending. For this scenario, banks shall recognise no more than 50% of contractual inflows from maturing margin loans made against non-HQLA collateral.
119. An exception to **Paragraphs 115 to 118** is, if a bank has reused collateral received through a reverse repo, securities borrowing, or a collateral swap to cover short positions that extend beyond 30 days, the maturing transaction must be treated as rolled over. As a result, the bank cannot recognise any cash inflow from it (0%).

120. Where a bank's short position is covered by an unsecured security borrowing, the bank should assume the unsecured security borrowing would run off fully in a stress scenario, leading to a 100% outflow of either cash or HQLA to secure the borrowing, or cash to close out the short position by buying back the security. This should be recorded as a 100% other contractual outflow according to **paragraph 111**. If, however, the bank's short position is being covered by a collateralised securities financing transaction, the bank should assume the short position will be maintained throughout the 30-day period and receive a 0% outflow.

121. Table 4 below sets out the applicable inflow rates for maturing reverse repurchase or securities borrowing transactions.

Table 4: Inflow Rates from Maturing Reverse Repurchase or Securities Borrowing Agreements

Maturing secured lending transactions backed by the following asset category:	Inflow rate (if collateral is not used to cover short positions)	Inflow rate (if collateral is used to cover short positions)
Level 1 assets	0%	0%
Level 2A assets	15%	0%
Level 2B assets:		
Eligible RMBS	25%	0%
Other Level 2B assets	50%	0%
Margin lending backed by all other collateral	50%	0%
Other collateral	100%	0%

122. Regardless of the roll-over assumptions outlined in **Paragraphs 115 to 119**, a bank shall manage its collateral such that it is able to fulfil obligations to return collateral whenever the counterparty decides not to roll over any reverse repo or securities lending transaction. This requirement is particularly important for non-HQLA collateral, since the associated outflows are not captured within the LCR framework.

(ii) *Committed facilities.*

123. A bank shall not assume that any credit, liquidity, or other contingent funding facilities it holds with other institutions for its own use can be drawn upon. Consequently, these facilities must be assigned a 0% inflow rate.

(iii) Other inflows by counterparties

124. A bank shall recognise only inflows from fully performing loans, and these inflows shall only be recorded at the latest possible date, based on the counterparties' contractual rights. For revolving credit facilities, it is assumed that the existing loan is rolled over and that any undrawn amounts are treated the same way as a committed facility per **Paragraph 106**.

a) Retail and MSMEs inflows

125. A bank is assumed to receive all payments (including interest payments and instalments) from retail and MSMEs that are fully performing and contractually due within a 30-day horizon. At the same time, banks are assumed to continue extending loans to retail and MSMEs at a rate of 50% of contractual inflows. This results in a net inflow percentage of 50% of the contractual amount.

b) Other wholesale inflows

126. A bank is assumed to receive all payments (including interest payments and instalments) from wholesale customers that are fully performing and contractually due within the 30-day horizon. At the same time, it is assumed that the bank will continue to extend credit to its wholesale clients. The assumed level of continued lending is set at 0% of inflows for financial institutions and central banks, and 50% of inflows for all other wholesale customers, including non-financial corporates, sovereigns, MDBs, and PSEs. This will result in a net inflow percentage of:

- a) 100% for financial institutions and central bank counterparties; and
- b) 50% for non-financial wholesale counterparties.

127. **Operational deposits:** Deposits placed by the bank at other financial institutions for operational purposes, such as for clearing, custody, and cash management purposes, are assumed to stay at those institutions, and no inflows can be counted for these funds. That is, they will receive a 0% inflow rate.

(iv) Other cash inflows

128. **Derivatives cash inflows:** The sum of all net derivative cash inflows shall receive a 100% inflow factor. The calculation of both derivatives cash inflows and outflows shall be done in accordance with the methodology prescribed in **Paragraph 91**.
129. Where derivatives are collateralised by HQLA, cash inflows should be calculated net of any corresponding cash or contractual collateral outflows that would result, all other things being equal, from contractual obligations for cash or collateral to be posted by the bank, given these contractual obligations would reduce the stock of HQLA. This is in accordance with the principle that banks should not double-count liquidity inflows or outflows.
130. **Any other contractual cash inflows not covered above:** These items shall receive an inflow rate of 0% and the bank shall provide BOG with details of the items included in this category. Cash inflows related to non-financial revenues are excluded from total expected cash inflows and therefore do not reduce net cash outflows for the purpose of this Directive.

PART III – REPORTING AND DISCLOSURE REQUIREMENTS

LCR Reporting Requirements

131. Banks shall conduct LCR stress scenarios at least on a weekly basis as part of their Asset Liability Management and Risk Management functions. The results of these stress scenarios and, where applicable, recommendations regarding restoration measures shall be submitted to the Board in a timely manner.
132. Banks shall be required to submit to the BOG, the reports of their LCR on a monthly basis, in accordance with the prescribed reporting templates **(Appendix I)** and the applicable deadlines for the submission of monthly prudential returns.
133. Banks shall notify the BOG immediately if their LCR falls or is expected to fall below the regulatory minimum threshold of 100%²⁵. Such banks are also required to submit to the BOG an assessment of their liquidity position, including:
 - a) Factors that contributed to the LCR falling below 100%, including any supporting documentation;
 - b) The measures already taken and those proposed to be taken to restore the LCR, and;
 - c) Expected duration of the shortfall.
134. A bank shall notify the BOG in writing if it intends to utilise its HQLA, where such utilisation would cause its LCR to fall below the prevailing minimum requirements during a liquidity stress situation prior to the utilisation. The bank shall:
 - a) provide its justification for the utilisation of HQLA;
 - b) indicate the cause(s) of the liquidity stress situation and provide supporting documents, where available; and
 - c) provide a detailed report on the steps already taken and those planned to restore the LCR position and/or resolve the liquidity stress situation.

²⁵ LCR requirement of 100% shall form part of the recovery triggers and banks shall ensure that their restoration measures align with the recovery options in their Board-approved Recovery Plan in accordance with the BOG Recovery Planning Directive, 2026.

135. Banks shall be required to increase the frequency of submission of LCR prudential returns to the BOG to weekly or even daily, during periods of stressed market conditions. The applicable deadlines for such submissions will be communicated by BOG.

LCR Disclosure Requirements

136. Banks are required to disclose information on their LCR in their annual financial statements under Notes to Accounts. Banks are also required to provide this information in their quarterly unaudited financial statement. The disclosure format is set out in **Appendix II**.
137. For both audited and unaudited financial statements, data must be presented as simple averages of monthly observations over the period.
138. For most data items, both unweighted and weighted values of the LCR components must be disclosed in accordance with the disclosure format set out in **Appendix II**. The unweighted value of inflows and outflows shall represent the outstanding balances of various categories or types of liabilities, off-balance sheet items or contractual receivables. However, for HQLA, the outstanding balance of the unweighted values shall represent the current market values.
139. The “weighted” value of HQLA shall reflect the applicable haircuts. The “weighted” values of cash inflows and outflows shall reflect the application of the prescribed inflow and outflow rates, respectively.
140. Total HQLA and total net cash outflows must be disclosed as the adjusted value. The “adjusted” value of HQLA shall reflect the application of haircuts as well as any applicable caps on Level 2 and Level 2B assets, as specified in this Directive. The adjusted value of net cash outflows shall reflect the application of the cap on inflows, where applicable.
141. In addition to the disclosures required under the format set out in **Appendix II**, banks shall provide sufficient qualitative information around the LCR to facilitate understanding of the results and data provided. The information to be provided shall include:
- a) The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time;
 - b) Significant intra-period changes as well as changes over time;

- c) The composition of HQLA;
- d) The concentration of funding sources;
- e) Derivative exposures and potential collateral calls;
- f) Material currency mismatch in the LCR;
- g) A description of the degree of centralisation of liquidity management and interaction between the relevant units within the Group and its affiliates (where applicable); and
- h) Other material inflows and outflows relevant to the bank's liquidity risk profile that are not captured in the LCR disclosure template.

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PART IV – SUPERVISORY EXPECTATIONS

142. The LCR framework requires that, under normal (non-stress) conditions, the LCR shall remain at or above 100%. Accordingly, a bank's stock of unencumbered HQLA shall, at all times, be at least equal to total net cash outflows over a 30-day horizon, on an ongoing basis²⁶.
143. The BOG may, in some instances, impose a higher LCR requirement for an individual bank to address bank-specific concerns given its liquidity risk profile.
144. Given the uncertain timing of outflows and inflows, banks are also expected to be aware of any potential mismatches within the 30-day period and ensure that sufficient HQLA are available to meet any cash flow gaps throughout the period.

²⁶ This is because the stock of unencumbered HQLA is intended to serve as a defence against the potential onset of liquidity stress.

PART V – SANCTIONS AND REMEDIAL MEASURES

145. A bank that fails to comply with the requirements of this Directive shall be sanctioned in accordance with sections 36 (5 and 6), 39 (2), 40 and 92 (8) of Act 930, in addition to any other relevant remedial measures and related sanctions as stipulated in this Act.
146. Following the notification of the breach or expected breach of the minimum LCR, the BOG may, among other measures, require the relevant bank to:
- a) reduce its exposure to liquidity risk;
 - b) strengthen its overall liquidity risk management framework;
 - c) improve its Contingency Funding Plan (CFP); and/or
 - d) enhance the supervisory reporting of its LCR.

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APPENDICES

Appendix I: LCR Return

Name of Bank				
Reporting Frequency		Monthly		
Period				
I	II	III	IV	V (III*IV)
	High Quality Liquid Assets (HQLAs) ²⁷	Unweighted Amount (GH¢)	Weight (%)	Weighted Amount (GH¢)
	Please specify whether the currency is significant or not (Y/N)			
i	Level 1 assets			
a	Cash in Hand		100	
b	Balances with BOG (in excess of CRR balances)		100	
c	Government of Ghana (GoG) securities		100	
d	BOG securities		100	
	Other Marketable Securities with a 0% risk weight:			
a	Issued by foreign sovereigns		100	
b	Guaranteed by foreign sovereigns		100	
c	Issued or guaranteed by other central banks		100	
d	Issued by PSEs (guaranteed by GoG)		100	
e	Issued or guaranteed by MDBs		100	
	Total stock of Level 1 Assets			
	Level 2 assets (Maximum of 40% of HQLA)	Unweighted Amount (GH¢)	Weight (%)	Weighted Amount (GH¢)
ii	Level 2A			
	Marketable securities with a 20% risk weight:			
a	Issued by foreign sovereigns		85	
b	Guaranteed by foreign sovereigns		85	
c	Issued or guaranteed by other central banks		85	
d	Issued or guaranteed by PSEs		85	
e	Issued or guaranteed by MDBs		85	
	Corporate debt securities		85	
	Covered bonds		85	

²⁷ HQLAs included in this return must meet all the respective criteria stipulated in this Directive

	Total stock of Level 2A assets			
iii	Level 2B Assets (Maximum of 15% of HQLA)			
	Securities with risk weight between 20% - 50%:			
a	Issued by foreign sovereigns		50	
b	Guaranteed by foreign sovereigns		50	
c	Issued or guaranteed by other central banks		50	
d	Issued or guaranteed by PSEs		50	
e	Issued or guaranteed by MDBs		50	
f	Residential mortgage-backed securities (RMBS)		75	
g	Corporate debt securities		50	
h	Common Equity Shares not issued by a bank/SDI/Financial Institution or any of its affiliated entities and included in the GSE index		50	
	Total stock of Level 2B assets			
	Total stock of Level 2 assets (Max 40% of HQLA)			
	Total stock of HQLA			
Net Cash Outflows				
		Unweighted Amount (GH¢)	Weight (%)	Weighted Amount (GH¢)
	Cash outflows over a 30-day period			
1	Retail Deposits			
a	Stable deposits		5	
b	Less stable deposits		10	
c	Add-on for internet and mobile-banking-enabled retail deposits (includes both stable and less stable deposits)		4	
	Total Retail Deposits			
2	Wholesale Funding			
	Unsecured Funding			
i	Demand and Term deposits (less than 30 days maturity) provided by micro, small and medium enterprises, which are:			
a	Stable deposits		5	

b	Less stable deposits		10	
c	Add-on for internet and mobile banking enabled MSME deposits (includes both stable and less stable deposits)		4	
ii	Operational deposits generated by clearing, custody and cash management activities			
a	Portion covered by Deposit Insurance (only non-financial Corporates)		5	
b	Portion not covered by Deposit Insurance		25	
iii	Operational deposits generated by clearing, custody and cash management activities (Portion not covered by Deposit Insurance)		40	
a	Banks, SDIs and Other Financial Corporates		25	
b	Non-financial corporates, sovereigns, central banks, MDBS and PSEs		40	
c	Deposit Funding from Other Legal Entities		100	
iv	Bonds, Notes, Debt Securities and Other forms of Unsecured borrowings		100	
a	Retail		100	
b	MSMEs		100	
c	Banks, SDIs and Other Financial Corporates		100	
d	Non-financial corporates, sovereigns, central banks, MDBs and PSEs		100	
e	Other Legal entity customers		100	
	Total Unsecured Wholesale Funding			
	Secured Funding:			
a	Secured funding transactions with BOG or backed by Level 1 assets.		0	
b	Secured funding transactions backed by Level 2A assets with any counterparty		15	
c	Secured funding transactions backed by Level 2B assets with domestic sovereigns, MDBs, or PSEs as a counterparty.		25	
d	Secured funding transactions backed by RMBS eligible for inclusion in Level 2B.		25	
e	Secured funding transactions backed by Level 2B assets with any other counterparty		50	
f	Any other secured funding transactions		100	
	Total Secured Wholesale Funding			
	Total Wholesale Funding			
3	Additional requirements:			
	Undrawn committed credit facilities to:			

a	Retail and micro, small and medium enterprises		5	
b	Non-financial corporates		10	
c	Sovereigns, central banks, PSEs and MDBs		10	
d	Banks		40	
e	Other Financial Institutions (FIs)		40	
f	Other legal entities		100	
	Undrawn committed liquidity facilities to:			
a	Retail and micro, small and medium enterprises		5	
b	Non-financial corporates		30	
c	Sovereigns, central banks, PSEs and MDBs		30	
d	Banks		40	
e	Other FIs		100	
f	Other legal entities		100	
	Additional Requirements:			
a	Valuation changes on non-Level 1 posted collateral securing derivatives		20	
b	Excess collateral held by a bank related to derivative transactions that could contractually be called at any time by its counterparty		100	
c	Liquidity needs related to collateral contractually due from the reporting bank on derivative transactions		100	
d	Increased liquidity needs related to derivative transactions that allow collateral substitution to non-HQLA assets		100	
	SIVs, conduits, SPVs, etc:			
a	Liabilities from maturing SIVs, SPVs, etc (applied to maturing amounts and returnable assets)		100	
b	Asset-Backed Securities (including covered bonds) applied to maturing amounts.		100	
	Other contingent funding liabilities (such as guarantees, letters of credit, revocable credit and liquidity facilities):			
a	Trade finance-related obligations		5	
b	Revocable credit and liquidity facilities		0	
c	Guarantees and letters of credit that are unrelated to trade finance obligations.		10	
	Others			
a	Net derivative cash outflows		100	
b	Any other contractual cash outflows		100	
	Total additional requirements			

	Total cash outflows			
	Cash inflows²⁸ over a 30-day period	Unweighted Amount (GH¢)	Weight (%)	Weighted Amount (GH¢)
	Maturing secured lending transactions backed by the following collateral:			
a	Level 1 assets (no inflow recognised if collateral is counted in HQLA)		0	
b	Level 2A assets (no inflow recognised if collateral is counted in HQLA)		15	
	Level 2B Assets:			
a	Eligible RMBS		25	
b	Other assets		50	
	Others			
a	Margin lending backed by all other collateral		50	
b	All other assets		100	
c	Lines of Credit - Credit or liquidity facilities or other contingent funding facilities that the bank holds at other institutions for its own purpose if they are fully revocable at all times		0	
d	Operational deposits held at other financial institutions		0	
e	Amounts to be received from retail counterparties		50	
f	Amounts to be received from non-financial wholesale counterparties, from transactions other than those listed in the above inflow categories		50	
g	Amounts to be received from financial institutions and BOG/central banks, from transactions other than those listed in the above inflow categories		100	
h	Net derivative cash inflows		100	
i	Other contractual cash inflows (please specify as footnote)		0	
	Total Cash Inflows			
	Total stock of HQLA			

²⁸ Banks should include only such contractual inflows from the outstanding exposures that are fully performing and for which the bank has no reason to expect a default within the 30-day time horizon

	Total Net cash outflows = Total cash outflows minus min (total cash inflows, 75% of gross outflows)			
	LCR = Total Stock of HQLA / Total Net cash outflows			
	LCR			

Additional Notes:

Memo Item No.1

Investment in securities issued by 0% risk weighted foreign sovereigns, as reported above – country-wise break up to be provided below:

SI No.	Name of the Country	Amount
(i)		
(ii)		

Memo Item No.2

Investment in securities representing claims on or claims guaranteed by sovereigns, PSEs or multilateral development banks that are assigned a 20% risk-weight, as reported above. Issuer-wise break-up to be provided below:

SI No.	Name of the Issuer/Guarantor	Amount
2.1	Foreign Sovereigns (give country names)	
(i)		
(ii)		
2.2	Public Sector Entities (PSEs)	
(i)		
(ii)		
2.3	MDBs, IMF etc.	

APPENDIX II: LCR DISCLOSURE TEMPLATE

Amounts in GH¢		TOTAL UNWEIGHTED ²⁹ VALUE (average)	TOTAL WEIGHTED ³⁰ VALUE (average)
HIGH-QUALITY LIQUID ASSETS			
1	Total high-quality liquid assets (HQLA)		
CASH OUTFLOWS			
2	Retail deposits and deposits from micro, small and medium enterprise customers, of which:		
i	<i>Stable deposits</i>		
ii	<i>Less stable deposits</i>		
3	Wholesale funding, of which:		
i	<i>Operational deposits (all counterparties)</i>		
ii	<i>Non-operational deposits (all counterparties)</i>		
iii	<i>Unsecured debt</i>		
4	Wholesale funding		
5	Additional requirements, of which:		
i	<i>Outflows related to derivative exposures and other collateral requirements</i>		
ii	<i>Outflows related to loss of funding on debt products</i>		
iii	<i>Credit and liquidity facilities</i>		
6	Other contractual funding obligations		
7	Other contingent funding obligations		
8	TOTAL CASH OUTFLOWS		
CASH INFLOWS			
9	Secured funding (e.g. reverse repos)		
10	Inflows from fully performing exposures		
11	Other cash inflows		
12	TOTAL CASH INFLOWS		
			TOTAL ADJUSTED ³¹VALUE

²⁹ Unweighted values must be calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows) except where otherwise mentioned in the directive and LCR template.

³⁰ Weighted values must be calculated after the application of respective haircuts (for HQLA) or inflow and outflow rates (for inflows and outflows).

³¹ Adjusted values must be calculated after the application of both (i) haircuts and inflow and outflow rates and (ii) any applicable caps (i.e. cap on Level 2B and Level 2 assets for HQLA and cap on inflows).

13	TOTAL HQLA		
14	TOTAL NET CASH OUTFLOWS		
15	LIQUIDITY COVERAGE RATIO (%)		

Note: Data to be entered only in blank and light grey cells.

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