

Table A.1

Key Financial Soundness Indicators

	As at end				
	2009	2010	2011	2012	2013 ^p
	% (or otherwise stated)				
Banking System					
Risk-Weighted Capital Ratio	15.4	14.8	15.7	15.7	-
Core Capital Ratio	13.8	13.0	13.7	13.9	-
Total Capital Ratio ¹	-	-	-	-	14.4
Tier 1 Capital Ratio ¹	-	-	-	-	13.0
Common Equity Tier 1 Capital Ratio ¹	-	-	-	-	12.1
Return on Assets	1.2	1.5	1.6	1.6	1.5
Return on Equity	13.9	16.6	17.4	17.4	15.9
Liquid Assets to Total Assets ²	14.2	15.6	16.0	13.8	11.5
Liquid Assets to Short-term Liabilities ²	42.9	48.1	45.4	42.5	36.5
Net Impaired Loans Ratio	1.8	2.3	1.8	1.4	1.3
Capital Charge on Interest Rate Risk in the Trading Book to Capital Base ¹	3.2	2.0	1.7	1.7	1.6
Net Open Position in FCY to Capital Base ^{1,3}	10.2	8.5	6.7	6.1	5.7
Equity Holdings to Capital Base ¹	0.9	1.2	0.9	0.6	0.7
Insurance and Takaful Sector					
Capital Adequacy Ratio (conventional only)	225.7	224.6	222.5	219.1	245.9
Life Insurance and Family Takaful					
Excess Income over Outgo (RM billion)	12.6	14.1	12.7	17.9	13.0
New Business Premiums / Contributions (RM billion)	10.0	11.2	10.9	12.0	12.2
Capital Adequacy Ratio (conventional only)	254.4	253.2	248.5	242.3	260.5
General Insurance and General Takaful					
Underwriting Profit (RM billion)	0.9	0.9	0.5	1.7	1.8
Operating Profit (RM billion)	2.1	2.1	1.7	2.9	3.2
Gross Direct Premiums / Contributions (RM billion)	12.8	14.1	15.4	16.6	17.8
Claims Ratio	60.3	62.1	66.7	57.3	57.1
Capital Adequacy Ratio (conventional only)	184.9	204.4	222.9	227.7	230.7
Household (HH) Sector					
HH Debt (RM billion)	516.1	594.2	674.2	765.0	854.3
HH Financial Asset (RM billion)	1,241.1	1,399.5	1,519.6	1,711.8	1,904.3
HH Debt-to-GDP Ratio	72.4	74.5	76.2	81.3	86.8
HH Financial Asset to Total HH Debt Ratio	240.5	235.5	225.4	223.8	222.9
HH Liquid Financial Asset to Total HH Debt Ratio	168.1	166.9	159.2	159.8	159.9
Debt Repayment Ratio	43.1	44.1	45.2	43.9	43.5
Impaired Loans Ratio of HH Sector	3.1	2.3	1.8	1.5	1.3
Business Sector					
Return on Assets	5.4	5.4	5.5	5.0	4.7
Return on Equity	9.5	9.8	10.1	9.0	8.9
Debt-to-Equity Ratio	42.6	38.4	43.9	41.3	39.7
Interest Coverage Ratio (times)	6.6	8.2	6.8	5.4	7.7
Operating Margin	12.5	12.4	12.3	11.7	12.8
Impaired Loans Ratio of Business Sector	4.7	5.2	4.1	3.0	2.8
Development Financial Institutions⁴					
Lending to Targeted Sectors (% change)	18.5	13.0	7.1	10.1	8.0
Deposits Mobilised (% change)	14.4	20.5	16.1	7.1	7.1
Impaired Loans Ratio	6.8	9.0	7.3	6.3	5.6
Return on Assets	2.3	2.2	2.7	2.5	2.3

¹ Beginning January 2013, capital components are reported based on Basel III Capital Adequacy Framework

² Beginning January 2012, the computation of liquid assets excludes interbank deposits

³ Beginning January 2008, the computation of net open position to capital base is based on Basel II Standardised Approach for Market Risk for foreign exchange risk

⁴ Refer to development financial institutions under the Development Financial Institutions Act 2002

^p Preliminary

Note: Beginning January 2010, loans are reported based on Financial Reporting Standards (FRS) 139. The adoption of FRS requirement is based on the financial year of the banks

Source: Bank Negara Malaysia, Bloomberg and internal computation