

Table A.1

Key Financial Soundness Indicators

	As at end				
	2007	2008	2009	2010	2011 ^p
	% (or otherwise stated)				
Banking System					
Risk-Weighted Capital Ratio	13.2	12.6	15.4	14.8	15.1
Core Capital Ratio	10.2	10.6	13.8	13.0	13.2
Return on Assets	1.5	1.5	1.2	1.5	1.6
Return on Equity	19.8	18.6	14.0	16.6	17.4
Liquid Assets to Total Assets	14.3	14.6	14.2	15.6	16.0
Liquid Assets to Short-term Liabilities	38.5	41.9	42.9	48.1	45.5
Net Impaired Loans Ratio	3.2	2.2	1.8	2.3	1.8
Duration-Weighted Net Position to Capital Base	4.4	3.8	5.0	4.9	4.9
Net Open Position in FCY to Capital Base ¹	5.1	10.5	12.6	8.9	7.2
Equity Holdings to Capital Base	2.5	0.9	0.9	1.2	0.9
Insurance & Takaful Sector					
Capital Adequacy Ratio (conventional only)	158.4	187.6	225.7	224.6	222.5
Profit before Tax (RM billion)	2.6	2.0	3.6	4.3	2.7
Life Insurance & Family Takaful					
Excess Income over Outgo (RM billion)	14.6	8.7	12.6	14.1	12.7
New Business Premiums / Contributions (RM billion)	9.3	9.4	10.0	11.2	10.9
Capital Adequacy Ratio (conventional only)	151.8	200.0	254.4	253.2	248.5
General Insurance & General Takaful					
Underwriting Profit (RM billion)	-0.1	0.2	0.9	0.9	0.6
Operating Profit (RM billion)	1.3	0.8	2.1	2.1	1.8
Gross Direct Premiums / Contributions (RM billion)	11.0	12.0	12.8	14.1	15.4
Claims Ratio	65.0	61.2	60.3	62.1	66.0
Capital Adequacy Ratio (conventional only)	182.1	181.1	184.9	204.4	222.9
Household (HH) Sector					
HH Debt (RM billion)	422.9	465.2	510.8	580.6	653.1
HH Financial Asset (RM billion)	1,160.0	1,068.2	1,225.8	1,383.3	1,499.8
HH Debt to GDP Ratio	65.9	62.7	75.1	75.8	76.6
HH Financial Assets to Total HH Debt Ratio	274.3	229.6	240.0	238.3	229.6
HH Liquid Financial Assets to Total HH Debt Ratio	175.3	141.5	152.6	154.1	148.1
Debt Repayment Ratio	41.1	39.4	49.0	47.8	48.1
Impaired Loans Ratio of HH Sector	5.3	4.1	3.1	2.3	1.8
Corporate Sector					
Return on Assets	5.8	3.7	4.3	4.8	4.8
Return on Equity	11.5	7.3	8.0	8.9	8.4
Debt-to-Equity Ratio	47.9	52.7	44.7	46.7	44.8
Interest Coverage Ratio (times)	5.5	4.3	4.9	7.5	6.3
Operating Margin	10.9	9.0	10.7	10.7	11.4
Impaired Loans Ratio of Business Sector	8.0	6.0	4.7	5.2	4.1
Development Financial Institutions²					
Lending to Targeted Sectors (% change)	18.7	16.3	18.5	13.0	7.1
Deposits Mobilised (% change)	12.4	18.5	14.4	20.5	16.1
Impaired Loans Ratio	8.8	6.6	6.8	9.0	7.2
Return on Assets	1.9	2.9	2.3	2.2	2.7

¹ 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

² Refers 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 139 requirement is based on the financial year of the banks

Source: Bank Negara Malaysia, Bloomberg and internal computation