

Table A.1

Key Financial Soundness Indicators

	As at end				
	2014	2015	2016	2017	2018 ^p
	% (or otherwise stated)				
Banking System					
Total Capital Ratio	15.9	16.6	16.5	17.8	17.4
Tier 1 Capital Ratio	14.0	14.2	14.0	14.9	13.9
Common Equity Tier 1 Capital Ratio	13.3	13.3	13.1	14.0	13.1
Return on Assets	1.5	1.3	1.3	1.5	1.4
Return on Equity	15.2	12.3	12.5	13.1	12.6
Liquid Assets to Total Assets	13.3	-	-	-	-
Liquid Assets to Short-term Liabilities	42.6	-	-	-	-
Liquidity Coverage Ratio ¹	-	127.4	124.3	134.9	143.2
Net Impaired Loans Ratio	1.2	1.2	1.2	1.1	0.9
Capital Charge on Interest Rate Risk in the Trading Book to Capital Base	1.4	1.2	1.1	1.0	1.1
Net Open Position in FC to Capital Base	4.7	6.1	6.3	6.1	5.8
Equity Holdings to Capital Base	1.3	0.7	1.5	1.9	0.5
Insurance and Takaful Sector					
Capital Adequacy Ratio	243.5	245.2	243.1	233.0	244.9
Life Insurance and Family Takaful					
Excess Income over Outgo (RM billion)	13.8	12.0	13.3	19.0	9.5
New Business Premium / Contribution (RM billion)	12.9	13.2	14.2	15.1	15.9
Capital Adequacy Ratio ²	235.8	242.5	238.4	226.2	237.1
General Insurance and General Takaful					
Underwriting Profit (RM billion)	1.8	1.3	1.8	1.3	1.8
Operating Profit (RM billion)	3.2	2.7	3.4	2.7	3.0
Gross Direct Premium / Contribution (RM billion)	19.1	19.5	19.7	19.9	20.4
Claims Ratio	57.5	60.2	55.9	58.6	56.5
Capital Adequacy Ratio ²	272.2	258.2	266.2	268.8	275.7
Household (HH) Sector					
HH Debt (RM billion)	952.7	1,023.2	1,080.5	1,133.8	1,187.3
HH Financial Asset (RM billion)	2,015.0	2,119.3	2,232.4	2,420.5	2,540.5
HH Debt-to-GDP Ratio	86.1	88.4	87.8	83.8	83.0
HH Financial Asset to Total HH Debt Ratio	211.5	207.1	206.6	213.5	214.0
HH Liquid Financial Asset to Total HH Debt Ratio	148.7	143.4	141.4	145.7	143.1
Impaired Loans Ratio of HH Sector	1.7	1.5	1.5	1.4	1.2
Business Sector					
Return on Assets	6.0	4.9	4.6	4.4	3.6
Return on Equity	10.2	8.8	7.9	7.7	6.7
Debt-to-Equity Ratio	39.2	43.2	43.0	47.0	49.3
Interest Coverage Ratio (times)	12.0	10.6	11.5	9.1	7.2
Operating Margin	15.9	14.8	14.5	14.5	12.8
Impaired Loans Ratio of Business Sector	2.6	2.5	2.5	2.6	2.3
Development Financial Institutions³					
Lending to Targeted Sectors (% change)	7.0	5.5	5.7	0.1	-0.3
Deposits Mobilised (% change)	5.3	2.0	6.4	4.8	1.9
Impaired Loans Ratio	5.0	4.8	5.9	5.1	5.8
Return on Assets	1.6	1.4	1.0	1.4	1.5

¹ The Liquidity Coverage Ratio (LCR) Framework takes effect on 1 June 2015 and supersedes the guidelines on Liquidity Framework and Liquidity Framework-i issued on 1 July 1998

² Figures from 2014 to 2017 include composite insurers and takaful operators. Figures in 2018 reflect the capital position after the splitting of composite licenses, hence, they are not comparable with those in 2014-2017

³ Refers to development financial institutions under the Development Financial Institutions Act 2002

^p Preliminary

Note : Figures may not necessarily add up due to rounding

Source: Bank Negara Malaysia, Securities Commission Malaysia, Bursa Malaysia, Bloomberg, Department of Statistics, Malaysia