Citibank, N.A. Bangkok Branch

Basel III Pillar 3

Capital and Liquidity Management Disclosure

30 June 2024

Tables

Capital:

Liquidity:

Table 1 Key Prudential Metrics

Unit : Million Baht

Item		Jun-24	Dec-23
1 Capital Fund			
	Total capital	24,300	25,800
	Fully loaded ECL total capital	24,300	25,800
2 Risk Weighted Assets			
	Total Risk weighted assets (RWA)	92,442	94,172
3 Total capital to risk-weighted assets (%)			
	Total capital ratio	26.29%	27.40%
	Fully loaded ECL total capital ratio	26.29%	27.40%
4 Capital Buffers Ratio (%)			
	Conservation Buffer	2.50%	2.50%
	Countercyclical Buffer	0.00%	0.00%
	Capital Buffer	2.50%	2.50%
	Total capital ratio after minimum capital requirement	23.79%	24.90%
5 Liquidity Coverage Ratio (LCR) (%)			
	Total high-quality liquid assets (HQLA)	120,899	107,059
	Total net cash outflows within the 30-day time horizon	36,814	19,395
	LCR (%)	328.41%	551.99%

Table 2 : Capital of Foreign Banks Branches

Unit : Million Baht

Item	Jun-24	Dec-23
1. Assets required to be maintained under Section 32	25,281	25,800
2. Sum of net capital for maintenance of assets under Section 32 and net	24,300	25,800
2.1 Capital for maintenance of assets under Section 32	24,300	25,800
2.2 Net balance of inter-office accounts which the branch is the debtor (the creditor) to the head office and other branches located in other countries, the parent company and subsidiaries of the head office	1,911	1,657
3. Total regulatory capital (3.1 - 3.2)		
3.1 Total regulatory capital before deductions (The lowest amount among item 1 item 2 and item 2.1)	24,300	25,800
3.2 Deductions	**0**	**0**

Table 3 Minimum Capital Requirements

Unit : Million Baht

Credit Risk Classified by Type of Assets under the Standardised Approach	Jun-24	Dec-23
Performing Claims		
1. Claims on sovereigns and central banks, multilateral development banks (MDBs), and non-central government public sector entities (PSEs) treated as claims on sovereigns	4	4
2. Claims on financial institutions, non-central government public sector entities (PSEs) treated as claims on financial institutions, and securities firms	2,389	2,373
3. Claims on corporates , non-central government public sector entities (PSEs) treated as claims on corporate	4,638	4,685
4. Claims on retail portfolios	-	-
5. Claims on housing loans	-	-
6. Other assets	94	90
Non-performing claims	-	-
First-to-default credit derivatives and Securitisation	-	-
Total minimum capital requirement for credit risk under the SA	7,126	7,152

Market Risk	Jun-24	Dec-23
1. Standardised Approach	N/A	N/A
2. Internal Model Approach	593	577
Total Minimum capital requirement for market risk	593	577

Operational Risk	Jun-24	Dec-23
Calculated by Standardised Approach	2,450	2,630

Capital Ratio	Jun-24	Dec-23
Total capital to risk-weighted assets	26.29%	27.40%

Table 4 Minimum capital requirement for each type of market risk under the Standardized Approach

Unit: Million Baht

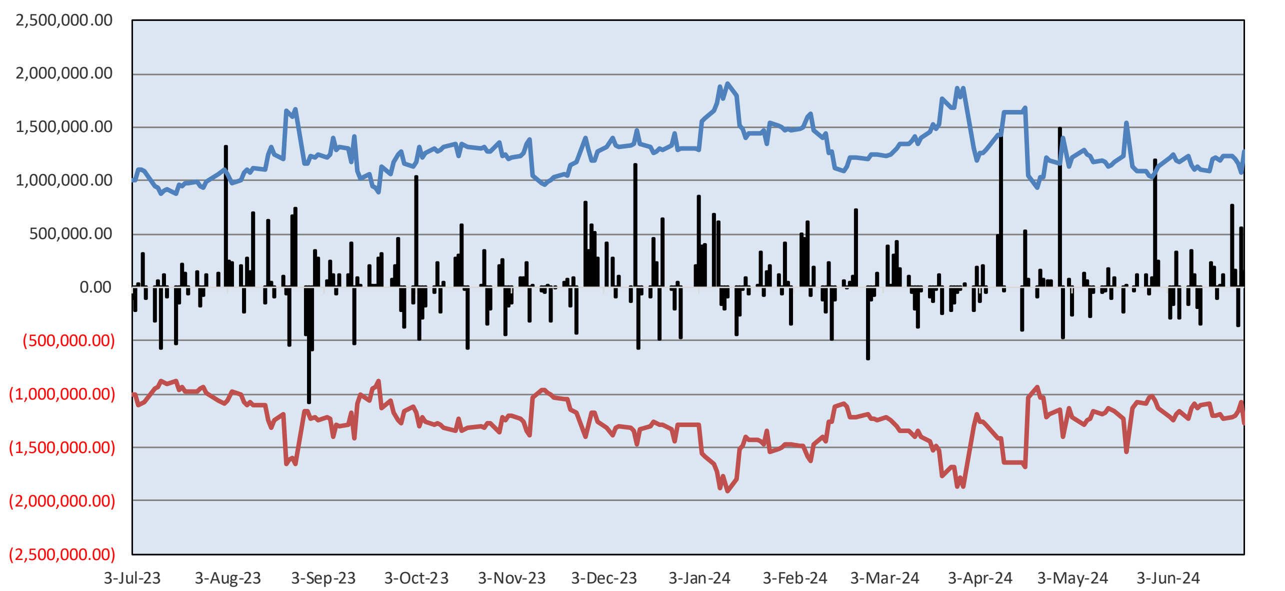
Minimum capital requirement for market risk under the standardised approach	Jun-24	Dec-23
Interest rate risk	-	-
Equity position risk	-	-
Foreign exchange rate risk	-	-
Commodity risk	-	-
Total minimum capital requirement	-	-

Table 5 Market risk under Internal Model Approach

Unit: Million Baht

Type of Market Risk	Jun-24	Dec-23
Interest rate risk		
Maximum VaR during the reporting period	72	52
Average VaR during the reporting period	49	40
Minimum VaR during the reporting period	37	29
VaR at the end of the period	47	45
Equitiy position risk		
Maximum VaR during the reporting period	-	-
Average VaR during the reporting period	-	-
Minimum VaR during the reporting period	-	-
VaR at the end of the period	-	-
Foreign exchange rate risk		
Maximum VaR during the reporting period	58	31
Average VaR during the reporting period	9	6
Minimum VaR during the reporting period	-	1
VaR at the end of the period	7	3
Commodity risk		
Maximum VaR during the reporting period	-	-
Average VaR during the reporting period	-	-
Minimum VaR during the reporting period	-	-
VaR at the end of the period	-	-
Total market risk		
Maximum VaR during the reporting period	70	57
Average VaR during the reporting period	49	41
Minimum VaR during the reporting period	35	30
VaR at the end of the period	47	44

Table 5 Backtesting result



* Commercial banks are allowed to disclose the information in form of "Graph"
** Together with an analysis of outliners from Backtesting

Backtesting Outliners

P&L date (T)	VaR (in THB MM) (T - 1)	Hypo P&L (in THB MM) (T)	Explanation
3-Aug-23	1,095.96	1,319.33	This is a positive VAR back testing break. The positive breaks were mainly due to the increase on Onshore THB THOR rate whereas the risk position was positive DV01 resulting to a gain
11-Apr-24	1,420.62	1,479.27	This is a positive VAR back testing break. The positive breaks were mainly due to the increase on THB THOR rate whereas the risk position were positive DV01 resulting to a gain
30-Apr-24	1,152.53	1,488.39	This is a positive VaR backtesting break. The positive break was mainly due to the FX fixing effect on FX option position, which resulted to a gain.
31-May-24	1,067.33	1,200.08	This is a positive VaR backtesting break. The positive break was mainly due to the FX fixing effect on FX option position, which resulted to a gain.

Table 7 Liqudity Coverage Ratio (LCR)

	Average Q2 2024	Average Q2 2023
1 Total High Quality Liquid Assets (HQLA)	127,945	136,731
2 Total net cash outflows within the 30-days time horizon	39,135	30,586
3 LCR*(%)	328.84%	447.88%
Minimum LCR as specified by the Bank of Thailand (%)	100%	100%

LCR* in item (3) is not necessarily equal to the total high-quality liquid assets (1) divided by the total net cash outflows within the 30-day time horizon (item (2))

Commercial banks are required to maintain the liquidity coverage ratio in accordance with the guidelines as specified by the Bank of Thailand. The LCR is expected to encourage commercial banks to have robust and adequate liquidity position so that they can survive short-term severe liquidity stress. The minimum LCR, which is the ratio of high-quality liquid assets to total net cash outflows within the 30-day time horizon, of 60% was introduced on 1 January 2016, and increased by 10% each year until it reaches 100% in 2020.

The average LCR for the 2nd quarter of 2024 of the “Bank” was 329%, which was higher than the minimum LCR as specified by the Bank of Thailand. This average figure was calculated from the ratio as of the end of each month, which was 353% at April, 305% at May and 328% at June. The LCR consists of 2 main components, namely:

1) **High-quality liquid assets (HQLA)** include unencumbered high-quality assets with low risk and low volatility that can be easily monetized without any significant changes to their values, even in times of liquidity stress. The value of each type of HQLA is after the application of both haircuts and any applicable caps as specified by the Bank of Thailand.

   The average HQLA of the “Bank” during the 2nd quarter of 2024 was 127,945 million Baht which was Level 1 assets, namely government bonds and cash. On this, the “Bank” holds several types of high-quality liquid assets to ensure the diversification of the stock of HQLA.

2) **The amount of net cash outflows** is equal to expected cash outflows within the 30-day time horizon minus expected cash inflows within the 30-day time horizon under liquidity stress scenarios; but the expected cash inflows must not exceed 75% of the expected cash outflows.

   The average net cash outflows of the “Bank” for the 2nd quarter of 2024 was 39,135 million Baht, which was the average of net cash outflows within the 30-day time horizon as at the end of April – June. The expected cash outflows on which the “Bank” focuses under the severe liquidity stress scenarios are Deposits run-off at the run-off rates as specified by the Bank of Thailand. On the other hand, expected cash inflows are mostly from loan repayments from high-quality counterparties and customers, to which the inflow rates as specified by the Bank of Thailand have been assigned.

   In addition, the “Bank” also regularly examines its liquidity gaps and funding concentrations, which is part of the assessment and analysis of liquidity risk, to ensure that it has adequate liquidity to support the business. And, as the “Bank” has developed risk-monitoring tools in accordance with the internal policy and business directions so that the “Bank” can better manage its liquidity positions.

Table 8 LCR Comparison

	Average 2024	Average 2023
1st Quarter	423.20%	395.63%
2nd Quarter	328.84%	447.88%